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MACKENZIE VALLEY PIPELINE INQUIRY

Government
Publications

IN THE MATTER OF APPLICATIONS BY EACH OF
(a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR A
RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS
CROWN LANDS WITHIN THE YUKON TERRITORY AND
THE NORTHWEST TERRITORIES, and
(b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY
THAT MIGHT BE GRANTED ACROSS CROWN LANDS
WITHIN THE NORTHWEST TERRITORIES
FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE
and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND
ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION,
OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE
PROPOSED PIPELINE

(Before the Honourable Mr. Justice Berger, Commissioner)

Yellowknife, N.W.T.

July 1, 1976

PROCEEDINGS AT INQUIRY

Volume 156

CANADIAN ARCTIC
GAS STUDY LTD.

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APPEARANCES:

Mr. Ian G. Scott, Q.C.,
Mr. Stephen T. Goudge,
Mr. Alick Ryder and
Mr. Ian Roland for Mackenzie Valley Pipeline Inquiry;

Mr. Pierre Genest, Q.C.,
Mr. Jack Marshall,
Mr. Darryl Carter and
Mr. J.T. Steeves for Canadian Arctic Gas Pipeline Limited.

Mr. Reginald Gibbs, Q.C.,
Mr. Alan Hollingworth and
Mr. John W. Lutes for Foothills Pipe Lines Ltd.;

Mr. Russell Anthony,
Prof. Alastair Lucas and
Mr. Garth Evans for Canadian Arctic Resources Committee;

Mr. Glen W. Bell and
Mr. Gerry Sutton for Northwest Territories Indian Brotherhood, and Metis Association of the Northwest Territories;

Mr. John Bayly and
Miss Leslie Lane for Inuit Tapirisat of Canada, and The Committee for Original Peoples Entitlement;

Mr. Ron Veale and
Mr. Allen Lueck for The Council for the Yukon Indians;

Mr. Carson Templeton for Environment Protection Board;

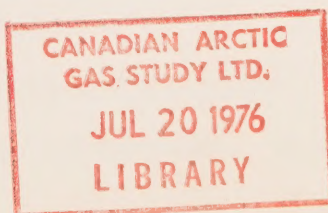
Mr. David H. Searle, Q.C. for Northwest Territories Chamber of Commerce

Mr. Murray Sigler for The Association of Municipalities;

Mr. John Ballem, Q.C. for Producer Companies;

Mrs. Joanne MacQuarrie, for Mental Health Association of the Northwest Territories.

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Bernard C. GILLIE
Bob OVERVOLD
Miss Ethelou YAZZIE
Steve KAKFWI

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Yellowknife, N.W.T.

July 1, 1976

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR GOUDGE: I think we're prepared to begin sir, if we may. You will recall that yesterday that the motion that was brought by Mr. Hollingworth was put over until 10 o'clock this morning. He advised me earlier this morning that he would prefer to get further instructions from Calgary, and would ask in the circumstances that the motion be put over once again for further argument to next week. I would support that proposal as something that permits all of us a little more time to clarify our own positions, and be of more help to you in making further submissions on the point.

MR. HOLLINGWORTH: Well sir, I think that's an accurate assessment of what I said except in one respect. I didn't mention next week. I would propose putting it over until such time as I have our evidence that I propose to put in from the second panel on our Phase 4 evidence, and I can't guarantee that that will be next week. I was following up on your suggestion that perhaps that should be looked at before you considered the Helliwell evidence.

THE COMMISSIONER: All right. Well then I will simply adjourn the argument on the motion to exclude Dr. Helliwell's evidence until Mr. Hollingworth has filed with the Inquiry the evidence that Foothills proposes to adduce relating to appropriate sharing of economic rents and so forth.

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1 Well, I apologize ladies and
2 gentlemen, and then to you members of the panel for
3 this cramped hearing room, but our usual hearing room
4 is being used for a bingo game today and this being
5 Canada's birthday, what better way to --

6 MR. HOLLINGWORTH: First things
7 first.

8 THE COMMISSIONER: Well Mr.
9 Bell, we're in your hands.

10 MR. BELL: Yes, I'd like to
11 introduce to you today our panel on education as
12 alternative development. At the starting at your
13 immediate right sir, is Mr. Steve Kakfwi. Next to him
14 is Mr. Bob Overvold. Next to him is Miss Ethelou Yazzie
15 and closest to me here is Mr. Bernard Gillie.

16 BERNARD C. GILLIE, resumed
17 BOB OVERVOLD, sworn
18 ETHELOU YAZZIE, sworn
STEVE KAKFWI, resumed

19 DIRECT EXAMINATION BY MR. BELL:

20 Q If I could just start
21 with you Mr. Kakfwi, you obtained your senior matric-
22 ulation in the Northwest Territories in 1970 and in 1972
23 you entered the Teacher Education Program. Also in
24 1972 you were employed as an adult education assistant.
25 In 1973, you entered the adult education trainee program.

26 In 1974, you undertook life
27 skills coach training; all of these programs being
28 sponsored by the Department of Education of the Northwest
29 Territories.

30 In 1974, you came to the

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1 Indian Brotherhood of the Northwest Territories as a
2 field worker and a few months ago, you became the
3 coordinator of the Inquiry Program of the Indian
4 Brotherhood and Metis Association of the Northwest
5 Territories.

6 Mr. Overvold, you obtained
7 your senior matriculation in Yellowknife in 1968 and
8 entered the Northwest Territories Teacher Education
9 Training Program. You taught elementary school in
10 Inuvik from 1969 to 1970 and in Hay River from 1971
11 to 1974.

12 In 1974, you joined the Metis
13 Association of the Northwest Territories and you are
14 now the executive director of the organization.

15 Miss Yazzie, you have a
16 Bachelor of Arts in elementary education from Goshen
17 College in Indiana. I should say your present position
18 is as director of the Rough Rock Demonstration School
19 in Chinle, Arizona.

20 You joined the staff of Rough
21 Rock Demonstration School in 1968 where you've held
22 various positions until you were appointed director
23 in 1973. Is that correct?

24 You're also a member of the
25 Board of Overseers of Hesston College in Kansas and you
26 are the author of a "Navaho Alphabet Book", "A Navaho
27 History" and other bilingual materials.

28 Perhaps I could ask you briefly
29 to describe your duties as director of the Rough Rock
30 Demonstration School.

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WITNESS YAZZIE: As director of Rough Rock School, my basic duties are overseeing the programs which starts from a kindergarten education program through high school. We have segments of elementary, junior high, high school and the satellite school which is about 20 miles from the basic programs are set.

I have presently four principals working under my supervision, and my being director is equivalent to being the superintendent over several schools. Also we, in our program, it's mainly leaning toward what the community would like to have in the program and opening our programs to-- Also there's the medicine man in our community so it's -- the medicine man's training is equivalent to receiving your Ph.D. in your regular academic program which runs for something like 12 years.

Q Thank you. Mr. Gillie, your present position is as executive director of the Laboratory for Educational Advancement Resources and Needs at the University of Victoria.

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1 You have -- briefly reviewing
2 your education you have a B.A. from Victoria College
3 and a Bachelor of Education from the University of
4 British Columbia. From 1926 to 1962 you were a teacher
5 or principal and a lecturer in various schools in the
6 British Columbia education system. In 1962 to 1968
7 you were a District Superintendent of Schools,
8 Mackenzie District in the Northwest Territories. From
9 1968 to 1972 you were a Director of Education for
10 the government of the Northwest Territories, in
11 Yellowknife, and in 1973 you moved to your present
12 position.

13 You have held other positions
14 and done other -- done research as listed in the
15 appendix to the summary of your evidence.

WITNESS GILLIE:

16 A Yes.

17 Q Thank you.

18 Perhaps I could
19 ask you to start Mr. Gillie, will you please carry on?

20 A I'm not
21 sure whether this microphone is on , is it on?

22 May I make just an acknowledge-
23 ment of my pleasure to be put on a panel with two
24 young men who are former students of the system when
25 I was involved in it, and say that that's particularly
26 agreeable as far as I'm concerned, and they both did
27 our programme well and did themselves, I hope, some
28 service, despite its failings and I am also very interested
29 in associating here as well with the Director of the
30 Rough Rock School because we were particularly interested

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1 in it when we started the experimental school out at
2 Rae. A group of our native^{people} who formed that first
3 society out there, to which we turned over the school
4 in 1969, I guess it was, I can't remember now for sure,
5 they went down to Rough Rock and spent some time down
6 there looking at the Rough Rock system and because it
7 to some extent, bore some resemblances to the ideas
8 we had in mind at Rae. I'm particularly pleased,
9 again, to hear something of their work down there,
10 which interested us at that time and was of great
11 value in our planning.

12 Now, my evidence as follows;
13 if the Indian people of the Northwest Territories
14 are to have any hope of achieving their desire for
15 nationhood within the Canadian mosaic, they must have
16 the opportunity to develop and strengthen those facets
17 of their culture which denote a common heritage. Given
18 the means that exist today for such a phenomenon to
19 take place, a degree of unity in beliefs, lifestyle,
20 language and self-esteem, far beyond that which has
21 existed for past generations is possible. Not only is
22 it possible, but it is essential if there is to be any
23 hope of achieving this dream.

24 Basic to the successes of
25 such a programme are:

- 26 1. The right to control the process, to practise
27 self-determination as a reality, not a vague
28 promise based on wishful thinking.
29 2. The right to control the resources of their
30 environment so that these may be made to con-

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1 tribute to the process, not to negate it.

- 2 3. The right to control the procedure which will
3 make their people aware of the opportunities and
4 responsibilities, inherent in a national milieu;
5 in short, control of an educational process which
6 spreads and perpetuates the ideas and ideals
7 unique to their nation.
- 8 4. Time, sufficient time to permit it all to happen,
9 hampered to as small a degree as possible by the
10 distractions and dislocations which would accompany
11 the developmental orgy which much of the rest of
12 Canada and the world seems determined to thrust
13 upon them.

14 It is the third of these require-
15 ments that I wish to elaborate in the rest of this
16 paper, and that's the one dealing with the educational
17 process.

18 It is not my intention to write
19 a history of northern education at this time. Instead,
20 it would seem useful to look briefly at what happened
21 in education in the north, during the years prior to
22 mid-century, as a means of identifying some of the
23 problems that grew out of this era.

24 For the most part, efforts to
25 conduct a programme of formal education was left the
26 church organizations, which assumed their traditional
27 role of responsibility for bettering the lot of the
28 native people by teaching them the religious beliefs
29 of the Christian church in order to supplant their own
30 pagan concepts, and at the same time, give them at least

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1 the rudiments of literacy, as the first step in the
2 process of acculturation. The sincerity of purpose which
3 this programme demonstrated cannot be questioned and
4 certainly it represented a tremendous investment of
5 church resources in terms of personal sacrifice by the
6 hundreds of devoted churchmen and churchwomen, not to
7 mention a large financial commitment. The contributions
8 of government were minimal, and seemed dedicated by an
9 earnest attempt to avoid getting involved.

10 It must be pointed out, however,
11 that the whole programme denied the native people any
12 control whatsoever over the processes developed to
13 educate them and better their lifestyle. For the most
14 part , the total process was rooted in the belief,
15 held by laymen and churchmen alike, that the aboriginal
16 population must be made over, preferably painlessly,
17 into the cultural image of the new race that had come
18 to live on this continent.

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Certainly very few, if any, southern whites questioned the wisdom of what was being done. "To be like us would automatically make them better." If some seemed a bit reluctant, that was only because they didn't understand ^{and} some "gentle persuasion" would soon overcome the dissidents. Overt and aggressive oppression elicits its own opposition and unites the oppressed automatically. But how do you fight kindness, gentleness and a sincere desire for -- a sincere concern for your physical welfare? Over the years, the native people got the message very clearly. Their own languages, religion, lifestyle and racial value systems were second rate and should be eradicated if they hoped to benefit by the new order. Their religious observances were banned, their language forbidden and their lifestyle became the hallmark of decadence. Youngsters who attended church or mission schools, even for a few years, returned to their homes and villages speaking a little of a new language and often ashamed to use their own, steeped in the trappings of a new religion, but with few convictions except that what they had believed was suspect, and with a smattering of skills designed to let them live in a new economic order which had not yet arrived.

While all this was going on, the educational needs of the few southern whites who had come north were being taken care of in a small number of local or company schools established largely as the result of local initiative as the needs arose. Since these schools served the children of white

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immigrants to the Territories, they had little or no significance as far as the Indian people were concerned. However, their significance became very marked in later years when a universal system was undertaken for the whole territory. In large part, they provided a model upon which the expanded program was based despite the fact that the vast majority of students in the new program were from the indigenous people with a totally different set of cultural needs and values.

By mid-century, less than 15% of the young people of the north had had any significant contact with formal education. The native people still were largely uni-lingual and the economic and social base of northern communities still had its roots in the native culture and lifestyle. Knowledge or understanding of the southern way of life was still largely hearsay. In short, the northern native people had had little preparation for the "new order" which was about to thrust itself upon them.

This new order found its roots in a variety of developments and events, some closely related, others almost totally unrelated and yet all contributing to the general impact. Some of these were:

1. Canadian economic expansion after World War II.
2. The awakening of the interest of the Canadian Government in the question of Canadian sovereignty in the far north.
3. The concern for international and national security during the "cold War" resulting in the building of the DEW Line and other defense installations.

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4. The stirring of the "Canadian conscience" with respect to the treatment of northern native people, by such writers as Farley Mowat in his books of which many of you are familiar such as the "People of the Deer" and related works at that time which attracted wide attention and had a tremendous impact on the Canadian population. And,

5. World-wide concern among an ever widening circle of people for the welfare of underprivileged and neglected populations in all parts of the globe.

The change from a situation referred to by a Canadian Prime Minister as government of the north "in a state of absent-mindedness" to what another and later Prime Minister referred to as "The Vision of the North" was short in time, but long in conceptual transition. For the purposes of this paper, it is sufficient to say that the Canadian Government found itself confronted by a totally new set of human demands with respect to its northern domain, most of which found their origin among southerners in the north, not northerners. A whole set of new social, political and economic standards for the long neglected northern people appeared upon the Canadian horizon, ranging from the strictly selfish to the totally altruistic, so that the government of the day was obliged to try to translate these into some kind of program for action.

High on the list was an education program which would serve to bring the north into the 20th century. It should be free, universal,

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1 compulsory and closely aligned to education programs
2 in southern Canada. No one, or at least hardly anyone
3 raised the question as to whether the northern people
4 would
5 wanted it, whether it help them or even whether it
6 was possible. Very few seemed to be concerned even as
7 to how much it might cost. No one ever got around to
8 asking the native people what they wanted. The general
9 assumption seemed to be that what was good in the
10 south must be good in the north -- after all, weren't
11 they trying to make the native people of the north like
12 the non-native people of the south, so that they could
13 participate on an equal basis with other Canadians?
14 Somehow it all seemed so reasonable and desirable.

15 Herein of course lies the
16 seeds of the troubles that confront us now. The basic
17 errors which have characterized the transgression of
18 the white race to the four corners of the globe were
19 about to be repeated. Blind to the dislocation and
20 disastrous failures which have marked our efforts in so
21 many other places, the people of southern Canada pro-
22 ceeded to make the decisions for the native people, to
23 assume that what we have done for and to ourselves must
24 be the best available for any other people. Since these
25 people are not like us, they cannot be expected to make
26 decisions like ours. Therefore, in their best interests,
27 we will decide for them.

28 It is the essence of the
29 colonial procedure. It is universally repugnant to the
30 "colonized" and only within the most recent times has it

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1 come to be almost universally recognized for what is --
2 oppression, sometimes blatant and harsh, sometimes benign
3 and seemingly so humane -- but oppression nonetheless.
4 Like dominant societies the world over and from all
5 time, we were and, I'm afraid, still are, clinging
6 obdurately to the tattered belief that, given power,
7 one can direct even command, another person or people
8 to "improve". If they will but don the trappings, time
9 and pressure will do the rest. That such must come from
10 within either the person or the society and result from
11 freedom of choice, freedom to err and to correct, freedom
12 to accept, amend or reject, based on conditions and
13 circumstances which only the person or society can
14 possibly understand, we are woefully reluctant to admit.

15
16 As a result, the northern
17 education program of the 50's and 60's, along with a
18 host of other plans and programs in other fields, was
19 launched with the ingredients for a failure built into
20 the structure at its base. A vast program of school
21 building throughout the north was undertaken, procedures
22 for getting the children into them were perfected and
23 put into practice, teachers and administrative support
24 staff from the south selected and moved north along with
25 a curriculum from the south imported with them. It was
26 a tremendous task and despite the many organizational
27 mistakes and dislocations that occurred, succeeded well
28 beyond the expectations of those in charge.

29 By the end of the decade of the
30 60's, between 95 and 98% of the children of the north
of school age, according to southern standards, were in

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1 school, a comprehensive vocational program well
2 established, a training program for native teachers in
3 operation, adult education a fact, though still only
4 rudimentary, and the doors to southern institutions of
5 higher learning open and available to northern students.
6 No mean accomplishment in a land whose climate and
7 geography seem specially designed to make every operation
8 a test of endurance.

9 The reaction of a more
10 volatile people would have been definite but the
11 northern native people are not oriented to active resist-
12 ance. It seemed useless to resist and they lacked
13 the means to protest.
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1 The new education brought
2 much that was useful in terms of improved settlement
3 conditions, some semblance of an improved income for a
4 few and very definite improvements in food, clothing
5 and housing for the youngsters. For the most part,
6 the southern teachers were fine, dedicated people,
7 with a strong desire to do their job well. In time,
8 many won the hearts of the native people, old as well
9 as young and the new things the youngsters were learning
10 carried a promise of entry to the southern lifestyle
11 with its myriad attractions. But as the years rolled
12 on, the basic weaknesses of the programme began to show,
13 and voices were raised in the north and the south
14 to point out some of the negative results of what was
15 being done by the school system.

16 Children who learned English
17 as the new and official means of communication, turned
18 away from their own mother tongue so that they had almost
19 no knowledge of it and at the same time acquired only
20 an indifferent command of the new language. A rejection
21 of their own tongue severed their strongest links with
22 their own parents and older friends and with this
23 widening gap came a rejection of their own way of life,
24 a loss of knowledge, understanding or pride and all the
25 things that meant so much to the elders. They could,
26 and did learn the skills of the new society. They acquired
27 the facilities needed to operate in a wage oriented
28 system, but the opportunities to participate in it simply
29 never appeared. Prejudice, fear, intolerance and unequal
30 competition met them at every hand. Unable to meet the

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1 requirements of their old culture, and rejected by the
2 new, the young people who had gone through the northern
3 school system and had come out with high hopes became
4 disillusioned, apathetic, or in many cases angry. Their
5 parents were disappointed and once again the promises
6 of the white man had not been honoured, and all the fine
7 things education was supposed to deliver to the children
8 they had lost -- the children they had lost, simply
9 never appeared.

10 Many felt, with good cause, that
11 the education that the old church schools had brought
12 was much to be preferred with its obvious limitations
13 and inherent inefficiencies, its effectiveness as an
14 agent for cultural change had posed little threat; and
15 to enlarge on that I'm simply suggesting that because
16 the old church system had touched so few people for
17 such a short length of time that its cultural effect
18 had been relatively small and ineffectual, whereas when
19 the new universal and comprehensive system of education
20 came in, of course its cultural effects were very wide-
21 spread and very quickly became obvious.

22 One quite unintentional advantage
23 was that the new educational programme had brought --
24 that the new educational programme had brought has now
25 however, come to light. It provided the young people
26 with the common bond of literacy, whereby they could
27 provide leadership for their people. It has provided
28 them with a background and understanding that has brought
29 them to an acute dissatisfaction with things as they
30 are. That is what education should do and to that extent,

1 at least, northern education has served its purpose.

2 We, as the major targets of
3 that dissatisfaction, may not like it, but now we are
4 aware of it and should be prepared to do something about
5 it. Hopefully, the native people of the north recognize
6 that because of the education they received, in a system
7 ill-suited to their needs, they have been able to mount
8 the kind of campaign which has focused national attention
9 on them in a way which would have been quite impossible
10 twenty years ago.

11 The events of today would have
12 overwhelmed them almost without audible protest and
13 few Canadians would have been the wiser. It has not
14 all been in vain.

15 Just to digress very briefly,
16 I remember at my very first staff meeting which I
17 attended in Fort Smith, as Superintendent of Schools,
18 at that time, under the Federal Administration, I was
19 asked to make a few remarks and I remember groping around
20 for something reasonably intelligent to say, which was
21 difficult in my case since I knew precious little about
22 the whole business. When I think back on it now, God
23 must have been on my side, or somebody was because I
24 happened to hit on the right thing, I remember saying
25 that the one thing I did think about the northern
26 education, about education in general was, that it had
27 a happy knack of producing among the people that it was
28 provided for, leaders. It gave them an avenue to develop
29 leadership, and that I was quite satisfied that it would
30 produce leaders among the young native people of the

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1 north and in a few years time they would be speaking
2 out. I remember saying in just these words, "we won't
3 like what they're going to say but undoubtedly they're
4 going to say it and they're probably going to say it
5 well." I think that the passage of time has proven
6 that to be correct.

7
8 As one of those responsible
9 during ten years of the period under discussion, for the
10 operation of the education system of the area of the
11 Northwest Territories, which is the concern of the Dene
12 people, it is legitimate that I should give some explana-
13 tion of my own part in the process which has brought
14 us to our present position. In short, if things are
15 as you have said, one might ask, then why didn't you
16 do something about it? That's a pretty natural question,
17 and I've been asked that on more than one occasion, as
18 you can well imagine.

19 Without trying to understand
20 a series of -- to undertake a series of excuses for the
21 work of the Department of Education of the government
22 of the Northwest Territories, while I was directing
23 it, which could only be embarrassing to all concerned
24 and quite unnecessary, I feel that the following needs
25 to be kept in mind when considering the events of the
26 '60's and early '70's. The educational policies that
27 were established well before the period in question were
28 a part of the total policy for the north set by the
29 government of Canada at the parliamentary and senior
30 executive level. Those responsible for carrying out
the policy in the field had no mandate to change that

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1 general policy. Like nearly everyone else working at
2 these tasks in the north, education officers were feeling
3 their way within the total policy. Many of us were
4 convinced^{that what we were doing} was the best way of accomplishing the results
5 which Canada said it wanted. Looking back from our
6 knowledge and understanding of today, most of us are
7 convinced that the general policy was wrong, but unfor-
8 tunately it takes considerable time -- time measured in
9 years for this to happen.

10 No doubt all of us should have
11 been wiser than we were. The Parliament of Canada
12 should have been wiser than it was, but we weren't and
13 it wasn't and the voices of experience who knew better
14 were neither very sure nor very loud. Even the native
15 people themselves were by no means sure that they knew
16 what was wrong or what should be different. The new
17 order now being sought and now seeming so obvious is
18 very new indeed. We should all be prepared to work
19 towards these changes that are necessary, now that the
20 issues have been clarified and a better way set before
21 us.

22 If the Dene people are to have
23 any hope of achieving their ambition to establish them-
24 selves as a people unique in their own right and clearly
25 identifiable by their own culture, developed within the
26 context of Canada, then some very basic changes in the whole
27 fabric of the present educational programme must be
28 made. They must have the opportunity to change what
29 exists at present in order to eradicate the processes
30 that will defeat their ultimate purposes if allowed to

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1 continue. To do this, the educational enterprise of
2 the north can no longer come under the dominance and
3 control of the southern Canadian influences in either
4 ideas or personnel. This is not to say that southern
5 people and ideas can serve no purpose in the north, but
6 it does mean that their application must serve what the
7 Dene people feel they need. Educational colonialism
8 must go along with all other kinds of colonialism.

9
10 Some of the areas of major
11 disruption under the present system, which the Dene
12 people will probably want to change are:

- 13 1. A curriculum based ^{on} Euro-Canadian ideals, values
14 and standards, which are inappropriate in a
15 culture so foreign to their beliefs.
- 16 2. Processes which create such a barrier between the
17 generations, that, if permitted to continue would
18 completely divorce the new generation from its
19 past. The Dene nation must maintain a sense of
20 its own history and traditions and that would
21 not be possible if the generations lose each other.
- 22 3. The steady erosion of respect for, and belief in
23 the cultural patterns which should give them an
24 identity they can be proud of.
- 25 4. Growing dependence upon the customs and lifestyles
26 of the new culture, the exclusion of any belief
27 in the customs and traditions of their own race.
- 28 5. The direction of all aspects of the education of
29 their people by strangers who are unable to under-
30 stand or interpret what the Dene people want for
their new generations and who insist on emphasizing

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- 1 the alien beliefs and habits of an imported culture.
- 2
- 3 6. The operation of the educational programme almost
- 4 exclusively by teachers, who, merely by their
- 5 presence give the system a bias which hastens the
- 6 process of cultural erosion.
- 7 7. The overwhelming insistence that the system must
- 8 be predicated upon the belief that the native
- 9 people, Dene or Inuit, will lose their identity
- 10 and disappear, so that every procedure must be
- 11 a preparation for the inevitability of this
- 12 happening.

13 Those, I suggest are the

14 principles that the Dene people will want to change.

15 These are the features of the

16 present educational operation which are incompatible

17 with the establishment of the Dene people as a clearly

18 identifiable unit of the Canadian nation.

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1 If removal of the influences
 2 outlined above are undertaken, then what should take
 3 their place? That question can only be fully answered
 4 by the native people themselves over the period of time
 5 it will take to develop a new system. That undoubtedly
 6 will be a lengthy process and will include a series of
 7 mistakes such as those which always characterize the
 8 building of a new and different society. Nevertheless,
 9 they would be wise to study carefully the experiences
 10 of other groups of indigenous people elsewhere in the
 11 world who have followed this route and have much to
 12 offer by way of guidance and advice. Here is an
 13 opportunity for them to make use of the long experience
 14 of some of the Euro-Canadian groups in Canada who could
 15 lend much help and would be glad to do so. To reject
 16 outright any support or assistance from other people
 17 would be to reject the voices of experience which would
 18 save them much time and many frustrations. I am
 19 confident that there is too much good sense among the
 20 native people of the north for this to happen.

21 In very general terms, the
 22 experiences of social and educational history would
 23 suggest attention to the following:

- 24 1. To recognize that the educational process, formal
 25 or incidental, is the major vehicle by which a people
 26 perpetuates its identity. It should be planned accord-
 27 ingly.
- 28 2. The system or program -- curriculum if you wish --
 29 must have its roots in the cultural fabric of the people
 30 it is intended to serve. It is not a veneer or overlay,

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1 but an outgrowth of the sum total of the lives of its
2 people.

3 3. The decision making process which directs it must
4 be it the hands of the people who will participate in it.
5 To the degree that these are separated, it fails to
6 achieve its purpose.

7 4. Those who pass through its program should develop
8 a strong belief in the worth of the society from which
9 they emanate and a faith in its destiny.

10 5. Above everything else, the Dene nation, if it comes
11 to be, must realize that these processes will be slow,
12 slower than the system they have lived with, because of
13 the absence of a formal education system in their own
14 culture. The complexities of the society in which they
15 are operating and with which they must maintain communica-
16 tion and understanding, precludes reliance on a system of
17 incidental education which served so well in former days.

18 Consequently, some degree of
19 formality and regulation will have to be developed. That
20 will be a labored task, full of error and omissions,
21 and subject to endless amendments and evaluation.

22 This kind of process must be measured in decades or
23 generations, and not years. One of the keenest dis-
24 couragements of the present system aside from its
25 utter remoteness from the people it was supposed to
26 help, has been the endless changes and innovations that
27 have characterized its short life. The short span of
28 20 years has provided a dizzying procession of new
29 plans, improved programs, innovations and deviations but
30

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1 each was whisked off the northern stage to make room
2 for a new panacea. I used to say that the educational
3 graveyards of the north were largely filled with good
4 ideas that have been laid to rest after insufficient
5 time to make them effective.

6
7 None was ever provided with the
8 time to prove or disprove itself as an educational
9 investment. Whatever is done in the coming years, it
10 must be given an opportunity to accomplish its object-
11 ives. Otherwise, a new system will be no better than
12 the old.

13 Some features that would
14 seem basic to a new system.

15 1. There must be an acceptance by all concerned, Dene
16 and non-Dene that self-determination is the keystone of
17 the new system. The decisions about what to do and how
18 to do it must lie in the hands of the native people and
19 reflect the value they believe in and respect. This
20 is not suggest that it should exclude the concepts and
21 beliefs from other cultures but the decisions as to what
22 will be incorporated in their own changing culture must be
23 theirs to make.

24 2. A mere patching up of the present system will not
25 do what the Dene people want to accomplish. Much of
26 that has value only if a process of cultural inclusion is
27 to be the way -- and everything they are saying makes it
28 clear that it isn't. The plan developed in detail in
29 the "Survey of Education, Northwest Territories, 1972"
30 is sound only for program having its base in a belief that
31 gradually the Dene people will be absorbed into the

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dominant Canadian culture and their identity as a distinct segment of the nation will disappear. Many of the suggestions for change contained in that document could make a valuable contribution to whatever system is developed, but only if the basic objective of self-determination is achieved by the Dene people can these devices make a contribution to their purpose.

3. Financing of a new program of education should follow the present pattern and should certainly be no more expensive. Any attempt to equate local control with direct fiscal contribution at the local level would be self-defeating since it will be years before the local settlements can be expected to establish a tax base sufficient to carry such a responsibility. Some plan for local sharing in the proceeds of whatever natural resource development is accomplished would provide, of course, a source of revenue that could make a significant contribution to the costs of education as well as other facets of government. Insistence that control must be proportionate to contribution is recognized as an outmoded philosophy in many parts of the world today.

4. The technical "know how" present in the operation of the northern education system at the present time should be made available to those responsible for the development of a new system of education. The practice now being followed by developing nations in many parts of the world has the new systems making extensive use of the experience and expertise available among people of the First and Second worlds. Their contribution lies in realm of "how to" rather than "what". To use such

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resources or not must remain of course the choice of the developing people.

5. Along with personnel and their experience and techniques, the new administration should be able to select extensive and valuable resources from the former system as it is dismantled. Much of it of course will be unsuited because of its strong bias toward the white man's social and economic system, but innovative and imaginative adaptations should be encouraged so that what can be made useful is used wherever possible.

While those in charge might well remind themselves of the folly which gave rise to the adage about not "throwing out the baby with the bath water". At the same time, it is assumed that the federal and territorial administration will never be accused of emulating the little boy with the marbles who stalks of the playground muttering "if you won't play the game by my rules, then I'll pick up my marbles and go home."

6. Though the curriculum of the new education program will likely differ very considerably from any other curriculum in Canada, the basic features common to all curricula will be there in one form or another. These are rooted in the needs and desires of every culture which designs some type of formal education program for its youth, and form what is usually referred to as "a philosophy of education". Those charged with the responsibility of identifying these needs and desires for the new system will face a doubly difficult task

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1 because of a variety of groupings of people that
2 characterize the Dene nation. They will need to draw
3 their ideas from the people themselves in their own
4 communities and then distill from this material the
5 commonalties and variations for the base upon which to
6 build their program guidelines. Wide latitude in
7 local interpretation would seem to offer the only
8 solution to such complexities.

9 7. Some of the specific areas which will require
10 careful study and direction are:

11 (a) What cultural values should their curriculum
12 reflect? How much variation in these should be provided?

13 (b) How will the communication skills be handled?
14 In how many languages?

15 (c) What place will English or French occupy in
16 the schools? Will they be the language of instruction
17 and, if so, at what levels?

18 (d) Provision for the development of similar skills
19 among adults will be essential if the present generation
20 gap is to be eliminated.

21 (e) Some system of writing will have to be adopted
22 to provide a common medium for the various language
23 groups. While several exist already, none is commonly
24 used or understood, especially among the older people.

25 (f) An arrangement with the non-Dene population
26 for the education of their children will be necessary.
27 It may involve the establishment of a separate system
28 or it may be possible to incorporate the necessary pro-
29 gram in the Dene education system. But in any event,
30 study and negotiation by the groups concerned will be a

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necessary part of the total planning process.

(g) In order to ensure the continuation of a maximum amount of local participation and direction of the education system to reduce the danger of over-centralization, a firm set of rules or guidelines, preferably in the form of legislation, will have to be adopted. It may not be advantageous to try to provide an elaborate "public education act" during the early years of the new operation but some issue will have to be dealt with in a codified way at an early stage.

(h) The Dene people have repeatedly emphasized their desire to maintain a high degree of choice in their way of life. If this is to be the case, then their educational system will have to prepare their young people to make such choices according to the personal desires and expectations of each individual. They will need to guard against building into the program such rigid values and mores as to virtually eliminate any possibility of valid options as young people approach maturity. Their children will soon lose confidence in the system if they find upon completing it that choice of future lifestyle is so restricted by their education as to cancel out most of the options they had expected to enjoy.

(i) Early in the planning process, some decision should be made respecting the matter of compulsory participation in the formal education program. This has been a feature of many systems in our own country and elsewhere and doubts as to the validity of such a procedure are gaining considerable support. The Dene

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people want to consider this very basic issue with great care as its adoption or otherwise will have a profound effect on the future of the program. And if they look very carefully at the education systems in the south, they will very quickly trace at least some of the problem which confronts us in education today to the concept of so-called "compulsory" education. I would submit personally that "compulsory education" is a contradiction in terms. Putting it crudely, there is just ain't no such animal and one of the things we've been struggling with in southern Canada for a long time. It is this particular inconsistency, however that's a matter that these people will have to consider.

(j) The Dene people will make it clear to Canadians that they do not wish to isolate themselves behind any set of northern barriers. If that is so, then they will have to create an attitude among their own people that will make access to the southern society a viable reality. At present, this whole issue is beset with prejudice, misunderstanding and distrust. Neither culture has provided any basis for understanding or meaningful communication and the results of this for the indigenous culture are only too painfully obvious.

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1 It is to be hoped that the
4 Dene people will try to provide some kind of bridge
5 between the cultures through the medium of their
4 educational programme, and the Euro-Canadians of the
5 south should do everything in their power to encourage
6 this. Doors that have been closed for generations
7 should be opened and the flow of ideas and aspirations
8 in both directions fostered by both peoples.

9 The creation of a Dene nation
10 should provide an opportunity for its people to live
11 alongside and, for those who wish, among the dominant
12 culture, but under terms and conditions that can be con-
13 trolled and developed on their own terms.

14 Respectfully submitted, Mr.
15 Commissioner.

16 MR. GOUDGE: Sir, I wonder if
17 we could take our mid-morning break now? Mr. Bell's
18 about to move on to Ms. Yazzie and that will take a little
19 while.

20 THE COMMISSIONER: Well, we'll
21 adjourn for a few minutes for a cup of coffee.

22 (PROCEEDINGS ADJOURNED)

23 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

24 THE COMMISSIONER: Well, ladies
25 and gentlemen, we'll come to order again and Mr. Bell,
26 you just carry on.

27 MR. BELL: Yes, I'd like to
28 ask Miss Yazzie to read her evidence in please.

29 WITNESS YAZZIE: I'd like to
30 say I'm pleased and honoured to be here. This is a

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1
2 beautiful country, but I have a cold, so if you will
3 excuse me, and my voice is really soft and I have
4 problems on that one, so bear with me.

5 THE COMMISSIONER: Well,
6 excuse me, we'll all just give Miss Yazzie our full
7 attention and if you can't hear just put your hand up
8 and we'll quell the noisy ones. So, carry on ma'am.

9 A Okay. For a
10 full century, America's political, industrial and
11 educational leaders believed and propounded that melting
12 pot theory. Eventually they all thought, and so did the
13 European and Asian immigrants that came to the United
14 States, that all Americans would be the same, with the
15 same opportunities, the same chance at success, and the
16 same consumer appetites.

17 Today, we know that this
18 Anglo myth lied to us all. Cultural patterns persist
19 after generations of attempts to wipe them out. Black,
20 Chinese, Polish, Puerto Rican and Mexican language,
21 dialogue and culture remain strong in America in spite
22 of hundreds of years of established opposition to them,
23 and nowhere is ethnic ^{strength} and heritage more powerful and
24 more meaningful ^{than} in the native American communities that
25 have survived massacre, genocide, and government
26 sponsored family disintegration.

27 The strongest government tool
28 in this forced integration into the larger society,
29 after the ability to control wealth and the lack of it
30 is the educational system.

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One of the society's purposes in requiring the formal education of its children is to use its power and its ability to transmit, preserve, and examine a society's history, language, religion and philosophy. This power was totally reversed in the education provided for the Navajo and other native Americans. The purpose of that system was to erase Navajo history, language, religion and philosophy and to replace it with a dominant culture of the western European by means of an extensive and intensive resocialization process.

Through education, the dominant establishment tried to exert full control over the Navajo young. The Navajo children were forcibly taken from their parents and families as early as seven years of age and kept at distant boarding schools for ten months out of twelve. This severing of the young from their Indian backgrounds was supposed to make resocialization and cultural domination easier and it was done through a show of power.

Cultural shock was inevitable. Disorientation and frustration occurred. To many children and parents the conflicting values were simply not acceptable. Other students, not knowing who to believe resisted both sets of values. These students were then in no-man's land with little self-esteem, identity or values to guide them. Even Indian teachers had difficulty teaching these students.

When the new way of life was too incompatible, or their frustrations too much, for

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1 the young Indian, the child dropped out completely.
2 The Navajo had 85 percent dropout rate. This phenomenon
3 is shared with other Indian tribes and disadvantaged youth

4 The problems of the Navajo and
5 the old educational system go beyond the reservation
6 school and extend into all schools that have resocializa-
7 tion as their main goal. Such a system denies each
8 child his uniqueness and worth as an individual.

9 Educational texts say that,
10 "formal education is a major agency for transforming
11 a heterogeneous and potentially divided community
12 into one bound together by a common language and a
13 sense of community." The principle sounds good, but it
14 is idealistic and unrealistic because cultural dominance
15 will always occur.

16 When English is the language
17 all others are placed in a secondary or sub position.
18 Sub, being not as good, as example, subhuman.

19 Language is an individual's
20 social reality. Even this reality was denied the
21 young Navajo for many years. Our children were forbidden
22 to speak in their own language and suffered punishment
23 for doing so.

24 Failure to introduce varying
25 languages and cultures in a positive light discourages
26 the growing child's receptivity and his willingness not
27 to prejudge others and their cultures.

28 Cultural domination has no
29 place in education. A bicultural system respects both
30 cultures and works with all segments of the community

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1 to the support of each. The family and the educational
2 system need to work together as one, with all parents
3 knowing and caring about what goes on in the classroom.
4 Neither group should be allowed to undermine the other
5 but must work together, consciously to complement each
6 other throughout the educational process.

7 Indian self-determination and
8 Education Assistance Act.

9 In the autumn of 1975, the
10 Congress of the United States passed into the law the
11 Indian Self-Determination and Education Assistance Act,
12 Public Law 93-638. Long overdue, the law is described
13 as an Act to provide maximum participation in the
14 government and education of the Indian people. To provide
15 for the full participation of Indian tribes in programmes
16 and services. To establish a programme of assistance
17 to upgrade Indian education. To support the right of
18 Indian citizens to control their own educational
19 activities.

20 Section 2 of the Act states
21 that:

22 "The prolonged Federal domination of Indian
23 service programmes has served to retard rather
24 than enhance the progress of Indian people and
25 their communities by depriving Indians of the
26 full opportunity to develop leadership skills
27 crucial to the realization of self-government,
28 and has denied to the Indian people an effective
29 voice in the planning and implementation of
30 programmes for the benefit of Indians which are

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1 responsive to the true needs of Indian
2 communities.

3 The Indian people will never surrender their
4 desire to control their relationships both
5 among themselves and with non-Indian governments,
6 organizations and persons."

7 Section 3 of the Act states:

8 "The Congress recognizes the obligation of
9 the United States to respond by assuring maximum
10 Indian participation in the direction of educational
11 as well as other federal services to Indian
12 communities, so as to render such services more
13 responsive to the needs and desires of those
14 communities.

15 The Congress declares its commitment through
16 the establishment of a meaningful Indian self-
17 determination policy which will permit an
18 orderly transition from federal domination
19 of programmes for and services to Indians to
20 effective and meaningful participation by the
21 Indian people in the planning, conduct, and adminis-
22 tration of those programmes and services."

23 Briefly, this Act provides, by
24 law that for the first time all native Americans have
25 the legal right to determine the form of education
26 and other social services they feel is right and proper
27 for their children. This law gives us both the right
28 and the obligation to develop unique and meaningful
29 education and health service patterns that will ensure
30 our children's rights to those things most Americans

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1 take for granted.

2
3 Our Navajo Division of
4 Education has made great progress in unifying educational
5 goals for the Tribe as a whole, and like the American
6 public school system, it has developed the policies and
7 the guidelines necessary to administer the many schools
8 and the school districts that are all or will eventually
9 be under its jurisdiction. Yet there is one thing that
10 a Division of Education in any form cannot do. The
11 Navajo Division of Education, a state or governmental
12 state system, even the Tribe cannot replace an involved
13 community designing and controlling its own school
14 system.

15 "Effective and meaningful participation in the
16 planning, conduct and administration of programmes
17 and services" means that more communities every-
18 where must be extra careful not to forfeit their
19 own self-determination rights to any larger body,
20 not even to the Tribe. Community members, if
21 they are willing to assume the effort that it
22 takes can control their own schools as does
23 Rough Rock right now, and in doing so they
24 transform more than an educational system. The
25 involvement of the community in the school has
26 ramifications far beyond the educational realm.
27
28
29
30

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Why the community needs to be involved in the education process. Now that we know that tribal and ethnic languages and culture will not vanish quietly into the American mainstream, a revolution has been taking place in the thought processes of leaders and community members both. We know now that tribes and tribal traditions and ethnic customs of many nationalities will remain alive in American life and will endure. We know also that they will not remain in the same form, but will take new and unknown directions.

As native Americans we know that there is a crying need for sophisticated leadership if our tribes are going to survive as tribes.

Monumental problems confront every Indian group as we struggle to maintain our identity and culture in the face of demands by the commercial and political interests of business-as-usual America.

In the Navajo nation, we face the destruction of Black Mesa, our Sacred Female Mountain by the huge stripmine shovels of Peabody Coal. We see our Colorado River water rights being ignored or not enforced. We see our delicate water-table balance and underground water supply being threatened by desert housing developments and energy hungry cities far from the reservation that use our drinking and livestock water to slurry coal to use it in electrical plants that pollute our skies and air and take electricity past our hogans to Las Vegas and Los Angeles. Even in our relations with the

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1 Hopi, there is constant friction regarding land rights
2 and grazing rights. Our population is growing faster
3 than our economic base and our boundaries are static.

4 These problems are not easy
5 to solve. They require sophisticated analysis and
6 sophisticated legal and financial advocates. These
7 and other problems like them will increase with the
8 complex demands of the future.

9 Our children and our leadership
10 must be able to understand and make decisions that are
11 not only in our best interests but in the interests of
12 the generations to come. They cannot get the tools
13 they need to make these decisions until they have had
14 a good deal of practice in dealing with the demands of
15 complex institutions.

16 Community controlled, culturally
17 based local institutions -- schools, health services,
18 food and clothing co-operatives and a well organized
19 community that knows the communication and power
20 network of the political and economic structure under
21 which it operates can have a significant input into
22 decisions regarding future developments in their own
23 immediate area.

24 Community based institutions
25 and organizations are a locality's best defense and
26 protection against the social and cultural upheaval
27 caused by outside imposed industry and/or resource
28 development. The native American community must take
29 protective measures against those things that affect
30 their environment. To maintain clean water, clean air,

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1 unspoiled land, and to protect their own culture, the
2 community must protect its members who live on energy
3 producing, wealth producing land to see that those
4 people benefit from the energy source and the resource
5 development as well as the developers themselves. To
6 gain access to the increased standard of living "progress"
7 provides for others, there must be community controls
8 and local restrictions concerning jobs, houses,
9 community planning, ecological balances, etc.

10 What does all this have to
11 do with education?

12 The revival of the community
13 school concept which was dominant during the 30's when
14 every small community in the nation had its own school
15 has an impact beyond the education world. When a
16 community can run and control its own school, the people
17 in that community, by implication, are capable of
18 running other complex institutions -- stores, banks
19 and hospitals.

20 Whether they actually take
21 control and run these larger institutions or not, is
22 not that important. What is important is that they
23 are able to and that they know how things as complex
24 as these are able to function.

25 Those of our people who live
26 in rural areas and the seemingly powerless people
27 within big cities must know how these large organiza-
28 tions operate or the tribal leaders will leave the people
29 behind as they try to cope as an elite with the complex
30 demands of a complex world.

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Community members may be illiterate and isolated from the world, but they are not ignorant. The people have ideas too. One of these community ideas was that bicultural, bilingual schools of the 1920's had a value that was overlooked when the massive schools of the '50's were being built.

Although the bilingual schools of the 20's often existed for government propaganda purposes or for the purposes of the missionaries, they nevertheless provided instruction in the reading and writing of the native language.

Today, the bilingual school gives the native language and culture a chance to exist apart from government and church, and it allows the native community to enter and become part of the school system.

Schools that adopt the bicultural form of education for whatever reason should tailor the program they need to suit the needs of the specific community they serve.

The bilingual school instructs orally in two languages. The native language may be used for discipline, emotional support of the child or for the translation of academic material when the vocabulary of the dominant culture's language is too difficult for the child.

The biliteral school teaches reading and writing in two languages.

The bicultural school involves itself in the history, social studies and religious

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concerns of both cultures. The bicultural school may not be bilingual or biliteral. For instance, native American history, tradition and religion can be taught in English with no attempt made to use the tribal language.

The bicognitive school teaches its children to think and react in both languages and by extension, in both cultures. Merely reading a second language does not mean that it is possible for a school child to think in the language which he is reading. When he translates as he goes, his thought process is not bicognitive.

The native American communities of the western hemisphere owe a debt to the community controlled schools that have managed to exist during the last decade.

These schools have shown that there are benefits to community controlled schools; that bicultural, bilingual education does have a place in a complex society.

Which of the four methods above are suitable for any one school at any one place today can only be decided by members of the local community that is considering such a step. Any one of the principles can stand alone, or any combination of them can be implemented by a dedicated administration and staff.

Which method will be most effective in involving the community? When we put

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1 the emphasis on the child, then the feelings and the
2 emotions of the child become paramount. If a child is
3 ripped from his family and thrust into an impersonal,
4 culturally sterile or alien environment, he will go
5 catatonic and withdraw. He is not going to have any
6 energy left to learn anything and he will regress in
7 development and accomplishment.

8
9 So we must make things as
10 pleasant for the child as we can. That means he must
11 remain near his parents and this implies a community school
12 within walking distance or a short bus ride from his
13 home.

14 Involving the parents in the
15 operation of the school in policy , curriculum
16 development, as aides and in the operation of the plant
17 itself will provide the child with a familiar society.
18 In addition to making the child comfortable and
19 secure, the parents, involved as they are with the
20 school are more likely to encourage their children to
21 do their best.

22 However, the parents cannot be
23 involved in the school if they cannot communicate with
24 the school officials. Therefore, where language differ-
25 ences threaten the success of an academic program, it
26 may be wise to plan for a bilingual curriculum and a
27 bilingual administration.

28 When parents and community are
29 involved in a bilingual situation they tend to want
30 the things that are important to them taught to their
children. Thus evolves the bicultural system.

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1 When the child must be able
2 to function in two cultures simultaneously, he must
3 know his own language and customs in order to continue
4 to feel at home in his family yet he must be able to
5 react in another culture to earn a living or to continue
6 his education, then we must work toward producing a
7 bicognitive child -- a person who can "double track"
8 and feel at ease in both cultures.

9 The minority group experience
10 historically has been an unpleasant one. It is ironic
11 that the tools that have been developed over the last
12 ten years with a new understanding of what it means to
13 be a "minority child" have been developed and refined
14 just in time to be of use to the Anglos who are finding
15 themselves for the first time the "minority" in a new
16 world composed of a Third and Fourth World people.

17 In Africa, Asia, Micronesia,
18 Australia, here in Yellowknife; in the inner cities of
19 the United States and western Europe, the Anglo language
20 and culture is in the minority. It is tempting to those
21 of us who had to adjust all of our lives to the imposi-
22 tions of another culture and another language as
23 "superior" to say "tough -- adjust to our ways or fail,
24 just as we had to do". Still, the knowledge that
25 advanced economic and academic success still rests upon
26 a thorough understanding and fluency in one western
27 European language or another, makes that an intellectually
28 (if not emotionally) unsound position.

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1 It is not pleasant to be part
2 of a minority -- often despised and always viewed with
3 some suspicion and/or hostility by the majority. And it
4 is especially difficult to adjust to the reality of minority
5 status, when one has been raised with the idea that he
6 or she is the majority. But even the established Anglo
7 majority is a minority in the eyes of the Third World
8 that it obstinately refuses to recognize in so many
9 important ways. Until that establishment comes to
10 understand the forgotten people of the red, brown and
11 black world, there can be no hope for world-wide
12 compassion, understanding and unity.

13 The education of bilingual,
14 bicultural, bicognitive people with strong cultural roots
15 of their own and an ability to tolerate and understand
16 others is a tentative beginning to rebuilding a
17 fragmented world, in an historic period of individual
18 alienation and anxiety.

19 It is my hope that this
20 community will allow this process to begin and to allow
21 neither group to dominate or intimidate the other in the
22 process of educating their children. Thank you.

23 THE COMMISSIONER: Thank you very
24 much.

25 MR. BELL: I would like to call on
26 Mr. Kakfwi to give his evidence now.

27 WITNESS KAKFWI: We, the Dene of
28 the N.W.T. demand recognition of ourselves as a unique
29 people and our right to self-determination. This is the
30 reason for our push to have a land settlement with the

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1 Federal Government.

2 The purpose of the government
3 education in the north since its beginning has been to
4 assimilate the Dene into the southern way of life. We,
5 the Dene have never been given recognition of our rights
6 to educate our young. Measures taken in the last years
7 which may look like the Dene have some control over
8 education in the communities, are simply tokenism.
9 The situation remains the same. The Territorial
10 Government bureaucrats control education in the north,
11 deciding what is best for the Dene. This is, and will
12 remain unacceptable to the Dene. Our Declaration
13 clearly shows our will to collectively control our own
14 future.

15 The Dene allowed the government to
16 educate their young when schools were first built in
17 the north. The Dene believed the government could take
18 care of their interests and that they knew what was best
19 for them. Then a few years ago, people started to
20 realize that something was wrong. There developed a
21 gap between the young and the old. The elders had much
22 difficulty in relating to the young. Many of the young
23 lost their language, their values and views, which they
24 had learned from their elders. What the elders realized
25 was that what was happening to their young in school
26 was not exactly what they wanted. The government was
27 literally stealing young people from their families. They
28 saw that if the situation remained unchanged, they as a
29 people would be destroyed in a relatively short time.

30 Some of the young Dene today are

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1 assimilated. From early childhood they have been told
2 how lucky they were to be educated, to be intelligent
3 enough to be educated, and how some day they too could
4 be just like the whiteman, happy and rich with a big
5 house.

6
7 Many of the communities got a one-
8 sided picture of southern society, for only the successful
9 and the competent middle-class people came into the land
10 of the Dene. They were all a picture of success and
11 happiness. None of the failures or victims of the
12 system came up to show us what we might become if we did
13 not make it.

14 Today, there are many young Dene
15 who have to face the reality of those who have not made
16 it in the system. They are often alone, apart from
17 their elders and rejected by the whites. They face a
18 choice -- continue to allow others to control their
19 lives and their future and try to make it on non-Dene
20 terms, or they can take action to ensure that they
21 become with their people, the ones to decide their own
22 future. Together the Dene have decided to regain control
23 of their own lives and their own future.

24 The Dene believe in sharing, in
25 helping one another. The Dene believe in respect for
26 the elders and in keeping close to them for they are
27 our educators, our guarantee that we can continue the
28 Dene Nation long after they have gone.

29 How can we tolerate an educational
30 system which is set up to fit into a capitalist world?
Where the whole purpose in life is to become rich? Where

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1 the competitive spirit, the individualistic spirit is
 2 far more important than the spirit of cooperation and the
 3 spirit of community? Where there is no room or mercy
 4 for the many who cannot make it? Where either you fit
 5 into the system or you are an outcast, a dropout, a
 6 hippie? There are many labels for failures.

7 All people have a desire for
 8 continuity of themselves in the future. That is why
 9 people have families, so they can pass on to their
 10 children their values and their own way of relating to
 11 the world, so that their children can continue as they
 12 had before them. No human being would allow anyone to
 13 suggest that they are worthless, that they have no right
 14 to insist on the continuity of themselves in the future,
 15 no values worth passing on to others for the future.
 16 No people would knowingly give away their right to
 17 educate their children to someone else of whom they have no
 18 understanding, except where people have been led to
 19 believe they do not have such rights.

20 In many communities today, the
 21 schools operate more in the interests of transients, civil
 22 servants, than the Dene of the communities. The civil
 23 servants and many others are up here to provide services,
 24 etc. and to help the Dene, but in coming into the Dene
 25 communities they often are more harmful to the interests
 26 of the Dene.

27 It is their attitude and beliefs
 28 that are most harmful. For instance, a civil servant may
 29 move with his family into a small community for two or
 30

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1 three years and demand that his children be taught in
2 the standards of southern Canada. This argument comes up
3 at meetings to discuss the possibilities of teaching native
4 languages, etc. in the schools. Southern folks feel
5 cheated if too much time is given to these "special classes"
6 which they do not feel to be in their interests to allow
7 their children to attend. They would prefer to see their
8 children and those of the Dene spend their time, in an
9 essentially southern education system, rather than
10 recognizing the need of the Dene to build up their own
11 understanding and pride of their own people, their own
12 community, their own society.

13 The set-up of many small communities
14 reflect the great differences between the white population
15 and the Dene. Generally the white population are apart
16 from the Dene, in fact there is an attempt to create a sit-
17 uation in the community for them to live as much in the
18 southern style as possible.

19 The school year is set up to suit
20 the needs of the teachers and other civil servants. The
21 summer is the best time to go for holidays, to go south
22 for further education. There is really nothing in it
23 to reflect the needs of the Dene. Maybe if the government
24 wasn't so bent on attracting this type of people up here,
25 we would get more people that are willing to fit in and
26 attempt to understand the situation, rather than those
27 that come up as self-appointed saviours and guardians of
28 the Dene. It is for these type of people that the
29 education in the north today reflects more the needs of
30 southern society.

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1 If other people feel threatened
2 by the Dene demanding the right to control their own
3 education then they should feel free to talk with us,
4 not leave their affairs and concerns to be taken care of
5 for them by the government where only further mistrust
6 and fear will breed. The Dene ask that if people want to
7 come up to live up in the land of the Dene, they should
8 realize that they have stepped into our home and not just
9 an extension of theirs in the south. If they do not
10 like it here, then they can always go back south. Why
11 should we make it easy for everyone to come and
12 live amongst us taking away more and more from us? Are we
13 expected to become extinct as a people and be remembered
14 as a people who lost everything they valued, including
15 their children?

16 The educational system conditions
17 you to think in ways which would best serve the system.
18 One way people get "brain-washed" is to believe that
19 control can only be obtained through the system and
20 that one can only hope to get so much control and no more.

21 We are not allowed to question
22 authority. A few years ago the government announced plans
23 to build the Mackenzie Highway. The Dene along the
24 Mackenzie opposed the Highway. The government later came
25 back with a solution. The "Hire North Project". This
26 project sought out individually all the young, unemployed
27 people of the communities and hired them to clear the
28 right of way for the Mackenzie Highway.

29 Many of us actually believed this
30 was something really helpful, when the whole idea was to

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1 buy out our resistance as a people. The young people,
2 desperate for work, grabbed at the offer without any
3 thought on the long-term effects of their actions. I saw
4 it as a deliberate plot on the government's part to
5 undermine the Dene's opposition to the Highway, by
6 dealing with individuals, rather than collectively.
7

8 It is my belief that the Dene are
9 unique, different from the people in other parts of
10 Canada and that education in the north should reflect this
11 uniqueness. That our own uniqueness must be used --
12 the traditional values of the Dene with the ideas and
13 views we now have from our experience as colonized people.

14 In a colonial system, one is not
15 free to make choices. How you think and how you act is
16 predetermined to a large extent by a higher authority. You
17 are led to believe that the interests of this higher
18 authority are the same as yours. Any process which keeps
19 control in the hands of the Territorial bureaucrats is
20 colonial.

21 The pipeline is an example of how
22 the system tries to tell people that its interests are the
23 same as theirs. The Dene know that if the pipeline is
24 built before land claims, it would only reinforce and
25 enlarge the present colonial system.

26 The Dene wish to decolonize, so
27 education should aim for that goal. By reflecting on
28 our experience as a colonized people, we can strive to
29 understand what it really means to be free, to be able to
30 decide one's own future. Thank you.

THE COMMISSIONER: Thank you.

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1 MR. BELL: Mr. Overvold,
4 would you like to continue?

3 WITNESS OVERVOLD: Mr.
4 Commissioner, I too am pleased to have this opportunity
5 to express my views on education matters here in the
6 Territories to this Inquiry.

7 I would like to express my
8 opinion on how further development and perpetuation
9 of the present education system in the N.W.T. would,
10 like any other major development, prejudice the Dene
11 position of achieving a fair and just land claim
12 settlementne.

13 At the same time, I will
14 argue the case of our right to develop an alternative
15 education system. One based on local control and
16 parental responsibility.

17 Many of the Dene are seriously
18 questioning the present system of education as being
19 in their best interest and consequently, are insisting
20 on their right to initiate and develop an alternative
21 educational system that will best meet their needs.
22 If the principles of an alternative system are to be
23 defined in our land claims proposal, and recognizing
24 that the premise of our proposal position to be based
25 on our right to -- and insistence on controlling all
26 what happens on Dene land, which would mean controlling
27 any type of development that we'd choose to pursue, be
28 it political, economic, social, educational, etc.

29 Then, to me it makes sense
30 that the continuation and the further development of

1 the present educational system would only jeopardize
2 and greatly impede any effort of the Dene in initiating
3 and developing an alternative education system.

4 The education system in the
5 N.W.T. over the past 20 to 30 years serves as a good
6 example for the Dene of why not to adopt foreign systems
7 in any area. Education over this period of time can
8 be generalized by saying that it was and still is a
9 system imposed on the Dene. Some of the characteristics
10 of such a system are, a conditioning of people to respect
11 some authority other than oneself. A conditioning of
12 people to conform and not to question, to minimize ones
13 own ability to make decisions based on one's own under-
14 standing of the world and instead become dependent on
15 some external authority.

16 The many areas of the failures
17 of this system used for the Dene are well documented,
18 high dropout rate, etc. and there's no need for me to
19 get into this area.

20 The lesson to be learned from
21 this experience is that no imposed educational system,
22 no matter how well-intentioned will work for the Dene.
23 Instead only one that is initiated and developed by
24 the Dene and that is rooted in Dene tradition, culture
25 and values will be successful. Such a system would
26 be based upon a persons environment and then expanded
27 to provide knowledge of the culture or society that
28 surrounds him. From a secure base that provides an
29 understanding of one's self, a person can then choose
30 what he/she wishes to know.

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1 The importance of the Dene
2 developing such an educational system to me is quite
3 self-evident. If one buys my evaluation of the present
4 system in the N.W.T. as being essentially no different
5 than any other system in southern Canada, then I see
6 the essence of that system for the average white child
7 being such that when a child enters this formal system
8 at the age of five or six, the system takes up without
9 any break, reinforces and builds upon all that the
10 child has previously learned in his home and the
11 community. For the Dene entering this system, the case
12 is the complete opposite. For the Dene, the same system
13 means a severe break with his culture and starts him
14 off at a disadvantage from which he most often never
15 recovers.

16 When an education policy is
17 developed by the Dene in which content, philosophy and
18 methodology is not essentially foreign to them, as
19 presently is the case, then and only then will we
20 stand a chance of succeeding, even if it only means
21 that the Dene will now be starting off ^{with} the same footing
22 that most every other average Canadian has enjoyed as
23 a basic democratic right.

24 If I may digress for a moment,
25 this lesson or experience in education over the past
26 20 years should be applied to the present form of
27 political development that is presently being perpetuated
28 up here. The system based on the municipal concept,
29 again, prevalent down south. Once more we have a system
30 that is being imposed on the Dene. Do we have to go

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1 through another 20 years of documented failures to come
2 to the same conclusion of an imposed system will not
3 work? What we are struggling for, as a people, is
4 the right to develop alternative systems in any area
5 we so choose.
6

7 From my understanding of the
8 present educational system that exists up here, it is
9 essentially as I said before, no different from any
10 other system to be found in southern Canada. Having
11 gone through such a system, I have concluded that the
12 primary effect of this education is to condition people
13 so that they will be willing to serve the purposes of
14 others. The primary effect of what I would consider
15 to be true education would be to enable a person
16 to better achieve personal freedom, to better under-
17 stand and cope with what's happening around one's self.
18 Such an awareness would lead to acting on one's own
19 interest. True education can only mean to become aware
20 that one makes choices and one is responsible for those
21 choices. In this manner, education is a process towards
22 personal freedom and self-determination, not a process
23 of control and dehumanization.

24 It is my intention to go back
25 and critically analyze my experiences of having gone
26 through the educational system here in the N.W.T.

27 Having gone through practically
28 all levels of formal schooling, elementary, junior
29 high, high school and post-secondary, I suppose I
30 could be classified as a product of what the system

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1 over the past 20 years has turned out and I was a bit
2 bemused or amused by Mr. Gillie's opening remarks or
3 perhaps -- he prefaced his opening remarks with the
4 comment that he was pleased to see two fine, outstanding
5 young gentlemen here that were a product of the system.
6 I beg to differ with that opinion and I will show how.

7 I don't know how pleased my
8 parents are with the product, being me, but I certainly
9 am not pleased with the product. By having successfully,
10 and I use the word, tongue in cheek, gone through the
11 system, I have almost become totally conditioned to fit
12 into southern society. On the other hand, what these
13 many years of going through the system has taken away
14 from me has caused irrevocable damage to me as a Dene,
15 and I think what it has taken away from me far outweighs
16 what it has given to me. It has caused a split between
17 my parents and me that may never be healed. It has
18 caused me to lose my Dene language, and most significantly
19 it has left me in somewhat of a limbo, not quite fitting
20 into Dene society and not quite fitting into white
21 society. These are just some of the many biproducts
22 of the system, and God knows I would not wish them on
23 anyone.

24 I spent about eight years in
25 residential schools, two years in one in Aklavik run
26 by the Anglican Church, two years in one run by the
27 Roman Catholic church and four years in one by the
28 federal government. I could go on for hours relating
29 the negative aspects of having to live and get educated
30 in such places, but I will limit myself to two points.

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1 1. Traditionally, Dene children learn from their
2 parents. In residential schools the adult
3 child relationship was almost non-existent.
4 Furthermore, most, if not all the school
5 and residential staff were non-Dene and
6 thus quite alien to the majority of Dene students.

7 2. Because of the style
8 of these institutions, their size and layout, this meant
9 that many rules and regulations had to be imposed, and
10 thus again the students were essentially forced to
11 conform. This phenomenon of the whites being the educator
12 leads me to the point of how Dene were conditioned to
13 think of what education is.

14 Many Dene wish to think, and
15 many still do, of education as something white people
16 do to us. It was common for us first graduates of the
17 N.W.T. Teacher Education programme to relate stories
18 of our first experience upon returning to Dene communities
19 as teachers. It was normal to have Dene children and
20 parents express total astonishment and disbelief of
21 our being teachers. My understanding of why the
22 government wanted me to be a teacher is this, you were
23 one of the few who were able to fit in and make it.
24 You being Dene, will thus be more successful in
25 conditioning other Dene children to do likewise.

26 It has taken me a long time,
27 about 20 years to finally start understanding what
28 education really is. I feel that I am once again
29 in kindergarten and that I face another 20 years of
30 being educated, an education that will de-condition me
and allow me to achieve what I consider to be true
education.

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Now,

Mr. Commissioner, if I may be allowed at this time, I would like to briefly summarize and outline the more formal involvement of the Indian Brotherhood and Metis Association in education, and then submit as evidence a report that we did on education.

In June of 1974, the Metis Association and the Indian Brotherhood held a joint general assembly in Fort Good Hope and at that time, I think the first formal opposition to what I have outlined as the perpetuation of the present system -- present education system here in the Territories took place. It was a resolution passed unanimously by all delegates at that assembly instructing the Territorial government not to pass an education ordinance until the Dene had their say in this matter.

Following this resolution, the Metis Association and the Indian Brotherhood set up a Tripartite Committee to deal solely with getting the ordinance delayed. This committee had numerous community visits and interviews with members from the various communities and in February of '76 we put together a report and presented it to the two levels of government and that particular report is the one I'm going to submit.

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The following gives the summary and recommendations included in the report to the Tripartite Committee to the Land Claims Committee and this report was approved by our Land Claims Committee.

Dene parents must have full responsibility and control of education.

7 • The Federal Government and its agencies -- i.e.
9 the government of the N.W.T. must adjust their policy
11 and practices to make possible the full participation
13 and partnership of the Dene in all decisions and
15 activities connected with the education of Dene children.
17 This requires determined, enlightened action on the
19 part of the Federal Government and its agencies and
21 immediate reform, especially in the following areas of
23 concern:

Local control. Until now, decisions on the education of Dene children have been made by anyone and everyone except Dene parents. This must stop. Band councils, Metis locals for example must be given authority for education analogous to that of a provincial school board, vis à vis a provincial Department of Education.

23 School Board representation.

24 Where school boards currently exist, it is imperative

25 that Dene children have representation. Responsible

26 representation and full participation in school boards

27 by the Dene are a vital necessity.

28 Transfer of jurisdiction.
29 Transfer of educational jurisdiction from the Federal
30 Government to the Territorial Government without

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consultation and the approval by Dene is unacceptable. There must be an end to these two party agreements between the Federal and Territorial Governments. Future negotiations between the two levels of government for educational services must include representatives of the Dene acting as first party. The Federal Government has the responsibility of funding education of all types and at all levels for Dene.

Dene control. Those educators who have had authority in that pertained to Dene education have over the years tried various ways of providing education for Dene. The answer to providing the successful education experience has not been found. There is one alternative which has not been tried before. In the future, let the Dene control Dene education.

Given the foregoing statements, the Tripartite Committee, acting on behalf of the Dene recommended:

1. Whereas the Dene are involved currently in negotiations with the Federal Government with respect to our land claims and whereas these negotiations are the basic issue underlying our future, it is recommended that the proposed Ordinance be tabled until the land claims issue is resolved.
2. Consultation in the language of the Dene be undertaken in order to determine accurately and effectively the quality of education in all of its aspects where people desire.
3. Given recommendations 1 and 2, representatives of

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1 the Dene are prepared to meet at a mutually agreed upon
2 time with Federal and Territorial Government representa-
3 tives to negotiate the transfer of control for the
4 education of Dene. In this regard, parental responsi-
5 bility and local control remain today as they have
6 in the past, the basic principles of our position on
7 Dene education.

8
9 MR. BELL: I think that concludes
10 the evidence of this panel sir.

11 MR. GOUDGE: I wonder if we
12 should break for lunch sir. It's 20 to 1.

13 THE COMMISSIONER: You might
14 just take a moment to ask counsel if they expect to
15 be too long or have you already?

16 MR. GOUDGE: Mr. Hollingworth
17 indicated to me that he didn't have any questions. I
18 haven't canvassed anyone else. Perhaps I could take a
19 minute.

20 THE COMMISSIONER: Why don't
21 you just see if anyone has any questions?

22 MR. STEEVES: I have no
23 questions to ask.

24 MR. HOLLINGWORTH: I have no
25 questions.

26 MR. GOUDGE: Mrs. MacQuarrie has
27 none sir. I would like the lunch break. I hate to
28 prevail on everybody, but I would like the lunch break
29 to confer with my advisors. I don't think^{any} of my friends
30 from Calgary are going to get there before 6 o'clock

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1 so if I could prevail on the panel, I would be grateful
2 to have them back at 2 o'clock.

3 THE COMMISSIONER: Well, I
4 think that --

5 MR. GOUDGE: I'm sure I won't
6 have many questions and I say that now but --

7 MR. STEEVES: Why don't we
8 take five minutes sir and then my friend could find
9 out if you have any questions.

10 MR. GOUDGE: I would prefer
11 the lunch break sir. I mean, if I'm going to ask them,
12 I'd prefer to ask them sensibly or at least on a
13 full stomach.

14 THE COMMISSIONER: Well I
15 think that we should concede to Mr. Goudge's wishes.

16 The panel has given us a
17 very interesting presentation and I think that Mr.
18 Goudge should be given an opportunity to reflect on
19 what has been said.

20 So, we'll ask you to come
21 back say at 2 o'clock if you would, Miss Yazzie and
22 gentlemen, and I don't think we'll be here for long then.

23 (PROCEEDINGS ADJOURNED)
24
25
26
27
28
29
30

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Cross-Exam by Goudge

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well ladies and gentlemen we'll come to order and Mr. Goudge will proceed.

CROSS-EXAMINATION BY MR. GOUDGE:

MR. GOUDGE: Yes sir. I have have just a few questions.

Miss Yazzie, could I begin with you please? You told us a good deal about the bicultural and bilateral and bicognitive approach to education.

THE COMMISSIONER: I think that was "biliteral".

MR. GOUDGE: Yes sir. There are four I think -- four categories that she uses. I left out bilingual. In approaching these, I take it it's necessary to develop a good deal by way of materials to be used in this process, curriculum to be applied and so on. Has that been the case in Arizona?

WITNESS YAZZIE: Not necessarily. I will only refer to my own experiences where I'm working.

Materials can be translated and it can be transcribed. It doesn't necessarily have to start from scratch. If you're looking at it, well, it has to start from the scratch and it would mean working a lot on curriculum writing all the way, and not necessarily. I don't know what kind of language when they write their language, and what kind of alphabet or script or whatever they use for language here to write to communicate.

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1
2 In our case, the Navaho
3 adopted the regular alphabet since the Navaho was a
4 phonetic language so it was like the sound of "b"
5 is the same as English so it was this translation from
6 there and picked it up from there. But most of the
7 bicognitive areas that you have to describe in setting
8 up the culture, things that are concepts -- the
9 conceptual descriptions which have to be from the culture.
10 That's where the culture contribution comes in.

11 Q Dealing particularly
12 with the school at Rough Rock, would you classify it
13 as a bicognitive school?

14 A Yes it is. Rough Rock
15 was chosen of those four areas to go on, whereas there
16 are three other contract schools run by the community
17 of Navahos -- on Navaho reservation. One school chose
18 to go only on bicultural programs. The other chose
19 only two, as a biliteral and bilingual area so it
20 doesn't necessarily -- But Rough Rock has chosen all
21 the four to go -- to make a complete program.

22 Q Yes and it's a school that's
23 being going for ten years.

24 A Yes.

25 Q When it began, I take
26 it it had to as I said a minute ago, begin to use
27 materials that were written in Navaho.

28 A Right.

29 Q Were these materials
30 developed solely for the school at Rough Rock, or did

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they exist beforehand?

A It was mainly emphasized for the Rough Rock people -- Rough Rock students -- and it was those materials the orientation and the content of the materials were found that particular community. If the students were familiar with the idea, the subject, where they could read it in their own language. It turned out that other schools needed these materials and they don't have to accept the way it is written. They can revise it in fact.

Some of those materials came up here to the area and they revised it accordingly and used it up here as I understand. But I'm not really sure whether they're really using it as a -- it can be used as supplementary material to the curriculum which is designed to that particular community.

Q Was the curriculum that you began with at Rough Rock developed originally or was it simply borrowed from a system?

A Some of the concepts -- some of the contents were originally from Rough Rock.

Q And the material as well, some of it was original and some of it was translated?

A Right.

Q Yes. Now, if I asked you to put a time frame on the development of the curriculum and the development of the necessary materials to begin a school like Rough Rock, how long would it take if you started from scratch?

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Cross-Exam by Goudge

1
2 A We're considering
3 Rough Rock as still -- of course if you -- for an
4 educator for a program to be recognized I think it
5 would take like ten to 15 years. But of course, there
6 has to be revisions after revisions. But I think
7 Rough Rock has done remarkably a job where it's
8 recognized not only nationally, but internationally.

9 The European people have
10 been visiting and borrowed some of our ideas how
11 to pick up information and transcribe it into
12 a language for the community, so that those materials
13 which are written by natives but for the learned in
14 that community can be used.

15 Q Now you say ten to 15
16 years. I take it -- let me ask you to -- put it this
17 way. Did the school open its doors ten years ago?

18 A It began in 1966 when
19 they --

20 Q And began to teach in 1966.

21 A Right.

22 Q How much before that
23 was it necessary for work to begin developing the
24 necessary curriculum materials?

25 A For some time that other
26 linguists, other educators played around with it and
27 it is emerging in my testimony. Some missionaries
28 used it for their purposes. There were some materials
29 that were right there like myself when I was an eighth
30 grader. I already knew my language because my parents

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1 taught me how to write and read my language. So, it
2 wasn't necessary for me to be re-trained to write the
3 materials. It was rather easy for me to pick it up
4 and write it from there.
5

6 Q I take it the fact that
7 Navaho had a written script was of substantial
8 advantage?
9

10 A Right.

11 Q Now, let me ask you a
12 little about the specifics of the curriculum that's
13 employed at Rough Rock. How different is it from the
14 curriculum that is experienced by those who go to the
15 public school system in Arizona?

16 A It varies. Our curriculum
17 is designed because the community -- the people there
18 they want to have their children taught in Navaho
19 first, up to second grade, so all the instructions are
20 done in Navaho. We have a transitional period in
21 the third grade and it goes on. As we go on, each
22 grade higher until high school, that we begin to have
23 both languages used in the classrooms.

24 In public school, this is
25 not really allowed a lot in a classroom where there
26 are Navahos or even the native studies. They are just
27 beginning now and the Bureau of Indian Affairs just
28 began to recognize these and but they'll exercise it
29 in their regular curriculum, but as extra work or
30 extra activities for the Navaho students.

Q Apart from the language

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that is used for instruction, is the subject matter that is taught at Red Rock different from the subject matter --

THE COMMISSIONER: Rough Rock.

MR. GOUDGE: Rough Rock, yes.

Sorry I meant to say Rough Rock. Is the subject matter that is taught at Rough Rock different from the subject matter taught --

A Oh, yes. In the Navaho culture, in this one example in the science area, it's not as identified as the way we would identify in the academic and a scientific course -- a science course. Our descriptions -- our science course is designed according to the Navahos. Certain things that teachers would perform, certain things that the students would perform in those areas, where we don't push the students to perform in those areas. But it is permissible that they could go ahead if they want to like dissecting animals.

It is a cultural -- what do you say? -- some people say "taboo" but it is ^{an} understanding that it can be corrected if the students really want to go into medical schools.

In fact, we have two students who are juniors this year are placing with the medical doctors -- with the medicine men in the both cultures in the both setting and going back and forth these two students and they want to be medical doctors, so they are taking their courses in both languages and in both settings.

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1 Q If I asked you to take
4 the very early grades, where instruction up to, I think
6 you said grade three is only in Navajo. Is the subject
8 matter in those early grades any different from the
10 subject matter that is taught in the early grades in
12 the public school system?

14 A Yes, different area
16 subjects, social studies is heavily emphasized in our
18 culture. The language is -- we describe the -- we have
20 English as a second language and which has a different
22 emphasis on -- rather than a teacher coming on just
24 talking English to the child and we would have a different
26 method of teaching English, because you have to intro-
28 duce that language in the -- face it, the English
30 language is a foreign and so therefore you have to go
32 through a different pattern where a child can understand
34 it rather than just pronouncing the words that you're
36 saying. They have to have a conceptual background
38 before they use the language.

40 Q I take it though, you,
42 as well, even in the early grades teach the subjects
44 that are taught in the public school system as well?

46 A Some, yes.

48 Q Not all?

50 A Not all.

52 Q And that's simply a
54 matter of choice dictated because of availability of
56 time?

58 A Right.

60 Q Yes. Now, let me ask you

Gillie, Yozzie,
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1 one other aspect of the Rough Rock system, and that
2 relates to the relationship of the school that you
3 had to -- to the government that may be applicable.
4 Is there any relationship between your school and any
5 government agency? I take it there's a funding
6 provision.

7 A Oh yes, financial. Most
8 of the financial aid that we have is to the government.
9 Every funding programme -- all programmes are funded
10 by the governmental agencies.

11 Q Is there any provision
12 of resource people by the government to your school?

13 A What do you mean?

14 Q Assistance in teaching
15 or in providing special services of any kind?

16 A No, no, this is the
17 opportunity -- this is the chance where we contract
18 with the government agency. This is the area where
19 the community people themselves, the Indians, exercise
20 their own ability and this is where the implementation
21 of the curriculum of their own ideas come in. I
22 think this is the first time that -- since the beginning
23 of the Rough Rock -- or the first time that we were
24 allowed to and be recognized ^{have} that Indians' abilities to
25 design their own programmes. We write all our programmes
26 -- all our proposals, which are funded and it's on the
27 basis of competition and most of our grants come through.
28 Most of our proposal writings that I do, they come through.

29 Q When you say on the basis
of competition, could you explain that, I don't

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1 understand.

2 A Yes, it would be, just
3 like across the United States. These grants are open
4 to other Indians, Indian tribes, other Indians in
5 different areas.

6 Q I see.

7 A But, we put ours on the
8 basis of that the Indians and community design their
9 own programmes, this is the way they want to run it,
10 and then the government analyzes that, and on that basis
11 that we get the grant.

12 Q Or not.

13 A Most of the time we do.

14 Q Yes, and I take it, some
15 of these programmes at Rough Rock have directed them-
16 selves towards what I might call traditional activities?

17 A What do you mean traditional
18 activities?

19 Q Activities that natives
20 that Navajo traditionally would have carried on?

21 A Yes.

22 Q And that has become a
23 part of the curriculum at Rough Rock?

24 A Oh, that is the curriculum.

25 Q Yes. Now, you cite the
26 school, as I understand it, as an important influence
27 in sustaining the Navajo culture in the Rough Rock area
28 and I'd like to ask you whether there has been, in that
29 area, any parallel development of indigenous political
30 institutions, to go along with the educational institution

1 that you've described in your evidence?

2 A I don't understand your
3 question.

4 Q Well, the educational
5 institution that you've talked about is -- let me ask
6 you to agree with me, one way by which the Navajo are
7 preserving their culture in that area, would you agree
8 with that?

9 A By setting up their
10 education programme?

11 Q Right.

12 A What was the other portion
13 of your question about political?

14 Q Well, I'm interested
15 in knowing whether in that part of Arizona there has
16 been the development of native political institutions
17 to deal with other areas of Navajo life, besides
18 education? To deal with questions of local government,
19 local services other than education and so on.

20 A I don't know if I'm
21 qualified to say, but in the education area this is
22 where the Rough Rock, the purpose of building a programme
23 based on Rough Rock concept of local community was
24 development was to put the cultural -- the culture in
25 a classroom. In fact, the culture itself is -- if you
26 really look hard at it, the culture itself is academic.

27 Q Well perhaps I won't press
28 you beyond the educational area.

29 THE COMMISSIONER: Well, what
30 he means, Miss Yazzie, is here in the Northwest Territories

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1 the native people say that they should have the right
2 to a measure of self government and they should have
3 their own institutions, not only to decide what should
4 be in the curriculum in the schools where their children
5 go, but in the political sphere, so that they can
6 determine other questions for themselves. Now, the --
7 has the Navajo people in Arizona achieved control over
8 other things that are going on in that part of Arizona
9 where they live, besides the school at Rough Rock?

10 A Again, Rough Rock is
11 only educational programme, but other areas because
12 the Navajo, granted, is about 250,000 Navajo's and
13 their reservation is really large because of the
14 governmental setup they have certain patterns that
15 they went through and their exercises and for the first
16 time the power and the right that they had all
17 this time were blocked and it's going through now. As
18 a whole tribe they have their own governmental organiza-
19 tion that--

20 THE COMMISSIONER: That's just
21 coming about now?

22 A Right.

23 THE COMMISSIONER: And in
24 Arizona -- and this is happening in Arizona, is it?

25 A Right.

26 THE COMMISSIONER: And what
27 percentage of the total population of Arizona do the
28 Navajo's compose?

29 A I'm not really sure, but
30 the whole Navajo reservation extends -- is extended into

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1 New Mexico, Utah and northern section of Arizona, so
2 you're talking about three different -- four with the
3 Bureau of Indian Affairs, four different governmental
4 systems, but they managed to go through and they're
5 exercising their power right now and they even selected
6 their own Navajo people in those positions such as
7 state senators and --

8 THE COMMISSIONER: I see.

9 A --up to the government
10 and their state senators, state representatives are
11 Navajo's now.

12 THE COMMISSIONER: I understand.

13 MR. GOUDGE: Thank you sir.

14 Now, thank you Miss Yazzie.

15 Mr. Gillie, could I move to you, please?

16 You began by making reference
17 to the school at Rae. How long has that school been
18 going?

19 WITNESS GILLIE: I don't know
20 that. I'd have to go back in my memory. I think it
21 was '69. I can't be absolutely certain. Either '69
22 or '70 that we started, so that would make it six
23 years probably.

24 Q Is that school analagous
25 in any way to the school that Miss Yazzie represents?

26 A Yes, it's -- in respect
27 that was the basic idea when it was started. We had
28 built a new school there and a new residence, when
29 the Department, the Federal Department in those days
30 was not under the Territorial government. No, I'm sorry,

1 it was under the Territorial government, and there had
 2 been a great controversy over the location of the
 3 school, the location of the residence and the whole
 4 thing had been a very controversial issue for a number
 5 of years and the people in Rae were very unhappy with
 6 many of the decisions that had been made.

7
 8 So, we came up with the idea
 9 of turning the school over to a local organization of
 10 some kind or other and we said, in effect, to them,
 11 we will give you the money that we would spend if we
 12 were going to run the school. We'll give you the same
 13 amount of money to run that school there and the residence
 14 and to put into it any programme that you desire and
 15 to hire your own staff and operate it entirely under
 16 your own." So, they established a society, under
 17 the Society Act of the Northwest Territories. We
 18 wrote a contract with them for the operation of that
 19 school, with provisions for financial accounting at the
 20 end of the year and so on. We gave them the grant in
 21 the amount that we would have spent on it, and they pro-
 22 ceeded then to set it up, hire the teachers and establish
 23 their own programme.

24 I think it's fair to say that
 25 it should be -- and I'm not familiar with it, of course,
 26 for the last four years, but I'm perhaps out of date
 27 on many -- some of these things, but one of their greatest
 28 difficulties, they wanted to have a programme, which,
 29 in their schools the curriculum which was much more
 30 closely akin to their own needs and their own wishes
 there, but this was very hard to do when the only teachers

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1 they had available to them, virtually, were white
2 teachers from the south and so that they weren't able
3 to achieve many of their objectives, but they did go
4 quite a long way and it bears considerable resemblance
5 to what was done in Rough Rock because that local
6 committee or society sent a number of their members
7 down to Rough Rock to spend some time studying what
8 was being done.

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1
2 Q I take it when the
3 school was set up there was no more control than simply
4 the providing of funds by the Territorial Government
5 by the school? No controls such as setting minimum
6 standards to be a teacher or anything like that?

7 A No. They were free to hire
8 -- they chose to hire certificated teachers. We didn't
9 insist that they do. The hired their own principal and
10 so on but there were no regulations with respect to that.

11 Q Nor with respect to
12 curriculum?

13 A No.

14 Q And that school has been
15 going for the last six or seven years.

16 A Six or seven years. I
17 can't remember. Six or seven years.

18 Q Now in your evidence sir,
19 you describe in detail at page 15 of your evidence and
20 following that, some of the basic building blocks that
21 you would see going into a new system.

22 A Page 15?

23 Q Page 15.

24 A Yes.

25 Q And you go through a
26 number of items.

27 A Yes.

28 Q Let me ask you to make
29 two assumptions. First that any new system would
30 contain the items that you see it likely to contain and

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1 secondly that there were a were a situation extant,
2 be it a land claims settlement or otherwise, which
3 removed any external constraints to the imposition of
4 such a system.
5

6 Making those two assumptions,
7 as an educator, what kind of time frame would you see
8 necessary for that system to become operative?

9 A By it becoming operative
10 are you suggesting --opening its doors and starting to
11 conduct a school. I suggest that they would need,
12 to begin with, a year of preparation -- of intensive
13 preparation. At the end of a year, I think they could
14 have a program and a staff ready to be able to.

15 Perhaps only with the bare bones but still they
16 would be in a position to have a program going. It
17 would them I am sure ten years to have anything that
18 might be considered complete.

19 Q Now, ten years of operation
20 before it really became a mature system?

21 A I think so.

22 Q Yes. Now, the system
23 that you have described here is one which I take it
24 in your view would have no more relationship with any
25 government than the funding relationship?

26 A Yes, I think that's what
27 I would suggest there.

28 Q Let me ask you whether as
29 an educator you would see greater government involvement
30 in the system as being inconsistent with its basic aims.

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1 by "greater government involvement" I --

2 A If by "greater government"
3 you meant "greater government involvement", it meant
4 greater involvement by the southern dominated government.
5 -- let's say Federal or Territorial, whatever you will
6 then I would feel that that would render it much
7 more difficult for them to develop what they want.

8 Q What about an involvement
9 that limited itself to as Miss Yazzie has described in
10 Arizona, a determination of which programs ought to be
11 proceeded with and ought to be given funds?

12 A Well that would be some-
13 what of a limitation but it wouldn't be -- I doubt
14 if it would regarded as a severe obstacle. I would
15 be better satisfied to see them given the money that's
16 needed and said, "All right. You devise a program
17 that you feel suits your needs. If you want our
18 assistance and advice, we're ready to give it but we
19 won't inflict it on you"; would be my approach to it.

20 Q But you would not see
21 the kind of situation I outlined of the government
22 awarding funds to certain programs as being inconsistent
23 with certain constraints.

24 A Not necessarily. Mind
25 you as soon as you start awarding funds on a certain
26 basis, then you automatically inject certain restrictions
27 This is true.

28 Q Yes.

29 A This is unavoidable if you
do that.

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Q Now, one of the other things I'd like to ask you about is this. You've no doubt I take it that if development comes to the north, there will be a substantial need to expand the existing educational system to deal with non-native educational needs?

A That's true.

Q You've said in your paper that that may be done by way of a separate system.

A It could be. Yes.

Q As an educator would you see it better educationally to have two systems?

A Well, no. Frankly I must confess I'm rather unhappy about parallel systems.

Q Why?

A Oh, if for no other than you always run into a large number of people who don't fit into either system. This is the problem. If you could divide the population very neatly into two groups, maybe you could operate two systems although even that is divisive in any community. But people don't divide up that easily. The result is that you would be sure to have many people who wouldn't be very sure where they fitted in and might be part of the time in one and part of the time in another depending on a variety of factors. If it could be worked out that a system could be devised that would serve the needs of the Dene people and at the same time provide the needs of the non-Dene population, that might be ideally

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the best but I agree that this would be extremely difficult to do.

Q Not impossible?

A Not impossible but difficult.

Q Difficult I take it because the basics to the system that you've described are basics that do not generally appear in the --

A In the other --

Q -- in the southern educational systems.

A In the southern educational systems, that's right.

Q Are they basics -- well I take it from your previous answer that there are basics which you nonetheless feel could be combined with the southern education.

A I think so. That's right but whether the time frame would be such as to permit it because it would take time to develop it and I'm not sure that that's within the realm of practicality.

Q Take matters of curriculum for example. How can one mesh the kinds of curriculum that Miss Yazzie is talking about with the kinds of curriculum that may be desired by non-native northerners?

A Well of course, there are some aspects of it that would be readily interchangeable as has been already demonstrated in Rough Rock.

But, for instance, in such

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1 fields as say mathematics, which would -- I am quite
2 sure you could devise a program which would be quite
3 satisfactory in either simply by the only change I
4 think would be involved is that many of your -- the
5 references and the allusions and all this that you
6 would use in your teaching and in your subject material
7 would be drawn from the Dene culture and not from the
8 southern culture.
9

10 Q Is that damaging education-
11 ally to the non-native pupil?

12 A No. I don't think so.
13 No, I don't think so.

14 Q What about language of
15 instruction. There's another example.

16 A Language of instruction.
17 Well of course here your language of instruction,
18 you are educating people I'd say in a community like
19 Yellowknife, obviously your language of instruction
20 would have to be in English because that's what the
21 greater majority of your population would be here.
22 But in most of your smaller communities in the north,
23 your language of instruction would be in -- to begin
24 with, would be in the native language.

25 Q Even for non-native
26 northerners?

27 A Yes that's right. Yes.

28 Q Is that detrimental
29 educationally?

30 A No, I don't so. I think

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1 would
2 it have a very desirable and very broadening effect
3 on the youngsters who came up with that
4 system because they ultimately would get their English
5 and they would become bilingual and I think this is
6 highly desirable. We make a great song about
7 Canadians being bilingual and it would be an opportunity
8 to practise it in something besides French and English.

9 Q Well, finally let me
10 ask you this. You've said that one reason as an educa-
11 tor you would prefer one system to two is that there are
12 many who fit into neither system.

13 A Yes.

14 Q If you have two. Is it
15 also a reason to prefer one system over two that one
16 system promotes a kind of understanding.

17 A Yes.

18 Q -- of a variety of cultures.

19 A And an appreciation of
20 each other. I think this is quite true. Yes.

21 Q Would you agree that
22 those would be two main reasons that in your view
23 that would tend to the promotion of one system rather
24 than two?

25 A And this is on a purely
26 theoretical basis because I have no experience designing
27 such a thing myself other than on the basis of theory
28 really. But that would be my -- certainly my leaning
29 would be for that.

30 Q Yes.

31 A I've watched -- I have

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1 some familiarity with the system in Alaska where they
2 have two and in some areas three systems operating
3 parallel to one another and this has been a source of
4 tremendous confusion. Gradually they are eliminating
5 is now but it's been over, ever since the education of
6 Alaska has been instituted they've operated on the
7 basis of at least two parallel systems. the State
8 operated and the Federal operated system. This has
9 been most confusing.

10 Q Well, is --

11 A Those didn't
12 represent really two cultural differences at all --
13 merely two administrative agencies.

14 Q I see.

15 THE COMMISSIONER: Teaching
16 the same things. The same curriculum in both systems.

17 A Yes that's right. Yes.
18 But then of course laterally, they have in many
19 Alaskan schools they've been endeavoring to
20 develop a program culturally adapted and suited to the
21 native population -- the Aleuts and the Indian
22 population of Alaska.

23 MR. GOUDGE:

24 Q Is that a separate system
25 or is that a development that is going on within each
26 of the two systems ?

27 A No, that is within one
28 or the other of the two systems. That's right.

29 Q Just to pursue that a
30 little bit, I take you would have a given school in
either the Federal or the State system which would have

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1 as part of its curriculum specifics devoted to native
2 cultural matters?

3
4 A Yes. I visited a
5 school out on the west coast -- or close to the west
6 coast of Alaska where they were -- this is now some
7 five or six years ago -- where they worked, for instance,
8 teaching in the lower grades in the native language.
9 I stood and watched in a classroom where there were
10 two teachers working. One was an English speaking
11 teacher from the lower 48 as they would say up there.
12 The other one was a native teacher and they worked
13 together with ^{the} class. But they were teaching. All the
14 instruction at that time was being given in the native
15 language. But it was an entirely native class. There
16 were no southern students in there at all.

17 Q I see. I take it there
18 are cases though where you do have classes containing
19 both --

20 A Yes, that's right.

21 Q -- southern students and
22 non-native students and native students.

23 A Yes.

24 Q And the instruction there
25 would be in what language?

26 A I don't know how they handle
27 that situation because I hadn't -- it was in its quite
28 early stages and that was bridge they hadn't crossed when
29 I was there.
30

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1 Q Let me turn, if I may,
2 briefly to you two gentlemen, Mr. Kakfwi, let me begin
3 with you. Very briefly, you've described the kind of
4 educational system that you would see the Dene having.
5 Let me ask you this, would you contemplate that system
6 serving to educate non-natives as well?

7 WITNESS KAKFWI: Well, basically
8 what I was driving at, I guess, is that in view of
9 what the Dene have been saying, that they've been insisting
10 on the right to survive as a people and they want --
11 they have a right to self-determination, but education
12 is just a small part of it, but a very important part
13 of it and the whole objective of education for Dene
14 should reflect what they're after. I'm pleased because
15 education is, basically, I guess is -- I would think
16 I would like those people to make choices and reflect
17 on what the Dene have been saying so far.

18 If the other people -- you
19 say non-natives feel that they want to pursue the
20 same goals as the Dene then I can see no conflict.

21 THE COMMISSIONER: You said
22 if they're prepared to make that adjustment they're
23 welcome. If they're not prepared to make that adjustment
24 they should consider whether they wish to remain.
25 I think you said that didn't you?

26 A Yes. Well I think that's
27 the choice I think that everybody's got right now,
28 is in the north is they can continue to live under an
29 imposed system or they can, like the Dene strive to
30 become a lot more freer. Things like preserving a

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1 language and a culture like making snowshoes and things
2 very
3 like that are 'trivial when you're looking at the
4 whole essence I think of life for people. Like to
5 survive as a museum piece is not relevant at all when
6 you're considering what we're really after which is
7 the right to decide what we want to do.

MR. GOUDGE: Perhaps --

8 sorry. Let me ask you to take a hypothetical example
9 say Fort Simpson, a community which has both natives
10 and non-natives. Would you foresee under the kind of
11 system that you spoke about a double education system,
12 one controlled by the Dene for Dene needs and another
13 for the non-natives? Is that the essence of what you--

14 A That's a hypothetical
15 question and I can't see any value in answering it,
16 except to confuse a lot of people because the whole --
17 this evidence that we're giving is given because of
18 the pipeline question and the land claims that we
19 the Dene are presently negotiating with the Federal
20 Government and the way that the land claims is going
21 to be settled is not clear yet. At least it hasn't
22 been stated clearly to anybody.

23 The question that you threw at
24 me, I can't answer it because I don't know how their
25 land claims are going to be dealt with.

26 THE COMMISSIONER: Well let
27 me just see if I have got the line of thinking that
28 the Brotherhood and the Metis Association are putting
29 forward.
30

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1 As I understand it, the
2 point you are making is that you feel that you have
3 to gain a measure of control over the education of
4 native children in this territory if the native
5 people are to survive as a distinct people, and that
6 if there is a pipeline built and an influx of white
7 people and you're overwhelmed in numbers, then the
8 chances of your getting over the educational system
9 are not going to be very good. So you -- I assume this
10 is what is underlying this evidence. You feel that
11 a land claims settlement which, among other things,
12 gives you a measure of control over the educational
13 system here in the north. There must be such a
14 settlement before a pipeline is built if it is to be
15 built.

16
17 Now, I'm not asking you to
18 comment on that but that's why you've been telling
19 me all this today. Have I got it? That's the argument
20 that's being put before me, I take it?

21 A Yes, basically that's
22 what it is.

23 MR. GOUDGE: Lastly and this
24 is rephrasing what I said before and if you don't
25 wish to answer it, then by all means say so. But do
26 you see that measure of control that the Commissioner
27 spoke about requiring two separate educational system;
28 one for Dene and one for non-native northerners or can
29 that measure of control manifest itself in a single
30 educational system?

THE COMMISSIONER: Well Mr.

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1 Kakfwi indicated that that's a matter that would
2 arise out of the settlement between the Dene and
3 the Federal Government and I'm going to -- I think
4 he feel that that's something that the negotiations
5 should determine. If you want to comment, you're
6 certainly welcome but --

7 A Yes. I guess the
8 reason why I don't want answer is because it isn't
9 clear exactly what our land claims would mean I guess
10 to the people in the north. If you're asking a
11 hypothetical question I could be easily misinterpreted
12 in many ways, as speaking out publicly. I would say
13 there's a possibility of being under one system, but
14 if I said that then that would mean I have some idea
15 of what the land claims would be generally and if
16 people -- the non-native people would ^{be} agreeable to
17 live under the kind of land claims that we are after.
18 If not, then it would be the other one of two systems
19 -- education under two systems.

20 There again I would be implying
21 hell of a lot about land claims in general and in
22 a sense there I'd be sort of looking out for the
23 interests of the non-native ^{people} which is really none of
24 my business. I think they're quite capable of looking
25 after their own so I can't really answer that question.
26
27
28
29
30

1 Q I take it, Mr. Overvold, you
2 would feel much the same way?

3 WITNESS OVERVOLD: Well, to a
4 certain extent.

5 Q Well, I won't pursue the
6 matter.

7 WITNESS YAZZIE: Can I ask a
8 question?

9 Q Sure.

10 A How long has this Inquiry
11 been going on? How far and what do the Indians here
12 have to do? How many times do they have to roll over
13 before you start realizing what they're saying, what
14 they want for their rights?

15 THE COMMISSIONER: Well, the first
16 part of the question is one that I'm happy to answer.
17 We have been holding this Inquiry throughout the Canadian
18 north, the western Arctic for, I think, 16 months, maybe
19 17, but the -- I think the second part of your question
20 was rhetorical, and Mr. Goudge's job is to make sure that
21 no stone is left unturned this time around, so that at the
22 end of the day everything that anyone might wish to say
23 has in fact been said and been heard.

24 A I don't want to be out of the
25 question, ^{or anything} 'it just got me curious about this thing. You
26 know, how many -- it seems like they just practically
27 have to take all their clothes off so you fully
28 examine them good whether they are really human or not.

29 WITNESS GILLIE: May I ask one of the
30 other witnesses a question? I want to ask Miss Yazzie a

Gillie, Yazzie
Overvold, Kakfwi
Cross-Exam by Goudge

1 question here. It's a factual one. In the Rough
2 Rock system, the school that you are operating at, do
3 you have non-Navajo students in that system? Say, from
4 some other culture?

5 WITNESS YAZZIE: M-hm.

6 WITNESS GILLIE: Many -- you know,
7 is there a significant number?

8 WITNESS YAZZIE: Oh about ten
9 Anglos and some Spanish, I forget. Three half Eskimo.

10 WITNESS GILLIE: I see. And they
11 all take the same programme. There is no special
12 provision for that?

13 WITNESS YAZZIE: No.

14 THE COMMISSIONER: Good question.
15 Very good question.

16 MR. GOUDGE: Mr. Gillie, if you
17 have no more questions, I have no more. Thank you
18 very much.

MR. BELL: No re-examination sir.

19 THE COMMISSIONER: Well, thank you
20 very much Miss Yazzie, Mr. Overvold, Mr. Kakfwi and Mr.
21 Gillie. We appreciate all of you coming and discussing
22 this subject with us and especially you, Miss Yazzie
23 coming from Arizona to ^{be} present. We'll adjourn the
24 Inquiry until Monday.

25 MR. GOUDGE: Can I suggest 11:00
26 in the morning, sir? I think we would be able to start
27 by then.

28 THE COMMISSIONER: All right. I
29 think I should add that, Mr. Bell, that we'll be holding
30 a community hearing in Fort Rae early in August, I

Gillie, Yazzie
Overvold, Kakfwi

1 understand from Mr. Jackson that that's in the cards,
2 and it may well be that I'm sure this will occur
3 anyway but you might bear it in mind that people in
4 Fort Rae might want to tell us at that hearing in Fort
5 Rae a little bit about the way that school is getting
6 along today, picking up where Mr. Gillie left off.

7 All right, so, we'll adjourn
8 then and reassemble on Monday morning at 11:00 a.m.
9 and the Inquiry will sit Monday, Tuesday, Wednesday
10 and Thursday of next week but not the Friday so we
11 may -- we'll try to hear as many people as we can
12 next week beginning 11:00 a.m. Monday and subject to
13 a consensus being reached on the matter, we might work
14 in a night sitting if we can all agree that it is a
15 sound proposition at the time.

16 Well, thank you very much.

17 (WITNESSES ASIDE)

18 (QUALIFICATIONS AND EVIDENCE OF STEVE KAKFWI
19 MARKED EXHIBIT 635)

20 (QUALIFICATIONS AND EVIDENCE OF BOB OVERVOLD
21 MARKED EXHIBIT 636)

22 (QUALIFICATIONS AND EVIDENCE OF ETHELOU YAZZIE
23 MARKED EXHIBIT 637)

24 (QUALIFICATIONS AND EVIDENCE OF BERNARD C. GILLIE
25 MARKED EXHIBIT 638)

26 (ANNUAL REPORT OF THE TRIPARTITE: EDUCATION
27 COMMITTEE MARKED EXHIBIT 639)

28 (TRIPARTITE COMMITTEE REPORT ON AN ORDINANCE
29 RESPECTING EDUCATION IN THE N.W.T. 1976 MARKED
30 EXHIBIT 640)

(PROCEEDINGS ADJOURNED TO JULY 5, 1976)

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Mackenzie Valley pipeline inquiry:

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MACKENZIE VALLEY PIPELINE INQUIRY

Government
Publications

IN THE MATTER OF APPLICATIONS BY EACH OF
(a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR A
RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS
CROWN LANDS WITHIN THE YUKON TERRITORY AND
THE NORTHWEST TERRITORIES, and
(b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY
THAT MIGHT BE GRANTED ACROSS CROWN LANDS
WITHIN THE NORTHWEST TERRITORIES
FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE

and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND
ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION,
OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE
PROPOSED PIPELINE

(Before the Honourable Mr. Justice Berger, Commissioner)

Yellowknife, N.W.T.,

July 5, 1976.

PROCEEDINGS AT INQUIRY

Volume 157



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Vol. 157

APPEARANCES:

Mr. Ian G. Scott, Q.C.,
Mr. Stephen T. Goudge,
Mr. Alick Ryder and
Mr. Ian Roland for Mackenzie Valley Pipeline
Inquiry;

Mr. Pierre Genest, Q.C.,
Mr. Jack Marshall,
Mr. Darryl Carter and
Mr. J.T. Steeves for Canadian Arctic Gas Pipeline
Limited.

Mr. Reginald Gibbs, Q.C.,
Mr. Alan Hollingworth and
Mr. John W. Lutes for Foothills Pipe Lines Ltd.;

Mr. Russell Anthony,
Prof. Alastair Lucas and
Mr. Garth Evans for Canadian Arctic Resources
Committee;

Mr. Glen W. Bell and
Mr. Gerry Sutton for Northwest Territories
Indian Brotherhood, and
Metis Association of the
Northwest Territories;

Mr. John Bayly and
Miss Leslie Lane for Inuit Tapirisat of Canada,
and The Committee for
Original Peoples Entitle-
ment;

Mr. Ron Veale and
Mr. Allen Lueck for The Council for the Yukon
Indians;

Mr. Carson Templeton for Environment Protection
Board;

Mr. David H. Searle, Q.C. for Northwest Territories
Chamber of Commerce

Mr. Murray Sigler for The Association of Munici-
palities;

Mr. John Ballem, Q.C. for Producer Companies;

Mrs. Joanne MacQuarrie, for Mental Health Association
of the Northwest Territor-
ies.

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A.R. Thompson
In Chief

Yellowknife, N.W.T.

July 5, 1976.

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. SCOTT: I think we're
ready to begin. Mr. Bell?

MR. BELL: Yes, Mr. Commissioner,
I'd like to introduce to you again Dr. Thompson, who
was a witness at our hearings in Whitehorse last August.
I don't think I have to review his qualifications at
any great length, except to mention that he is now the
former Chairman of the British Columbia Energy Commission,
having retired last Wednesday and resumed his duties as
Professor of Law at the University of British Columbia.

Dr. Thompson was also counsel
in the caveat case here in 1973. As well, he is a
director of the Canadian Petroleum Law Foundation, and
his publications include an 8-volume treatise entitled:
"Canadian Oil and Gas".

Yes sir, it's listed as three volumes in the appendix
to his summary of evidence, but I understand it's now
expanded to eight.

ANDREW ROYDEN THOMPSON, resumed:

DIRECT EXAMINATION BY MR. BELL:

Q Perhaps I could ask you
to proceed then, Dr. Thompson.

A Mr. Commissioner, the
proposed pipeline that is the subject of this Inquiry
is simply a mechanical system for delivering natural
gas produced in the Mackenzie Delta and elsewhere to

A.R. Thompson
In Chief

1 markets in Southern Canada and the United States. Its
2 justification can be established only in terms of bene-
3 fits derived from the exploitation of this natural re-
4 source. In my evidence I will address the questions of
5 who should benefit and what form the benefits should
6 take. It must be clear that I am not stating a Dene
7 position, and that my conclusions are based entirely on
8 my studies of the history of natural resource developments
9 in Canada and elsewhere, and my knowledge of the laws
10 governing the ownership and development of natural
11 resources in the Northwest Territories.

12 My conclusions are:

13 1. That peoples traditionally resident in a region are
14 those entitled to benefit from the development of natural
15 resources. This entitlement is based on both political
16 and legal rights.

17 2. The direct and indirect benefits flowing from the
18 ability to control natural resource developments are
19 equally as important as financial benefits derived from
20 royalties, taxes, etc.

21 3. A settlement of native land claims provides an
22 opportunity to ensure that native peoples in the North-
23 west Territories who are the traditional residents will
24 be the beneficiaries of natural resource developments
25 in the region through the direct and indirect benefits
26 that will flow from a suitable definition of political
27 and legal rights with respect to natural resources in
28 the terms of settlement.

29 4. A settlement of native land claims must be achieved
30 prior to the approval of natural resource developments

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1 if this opportunity is to be realized.

2 In political terms, control
3 over natural resources has been an issue of colonialism
4 from the earliest times. I quote from a lecture I
5 delivered here in Yellowknife in February, 1969:

6 "History repeats itself -- sometimes like a
7 broken sound track. From the time of the
8 Constitutional Act of 1791, which established
9 Canada's first Legislative Assembly after
10 the cession of Canada to Great Britain, until
11 the Act of Union of 1840, a period of 50 years
12 when a system of responsible government was
13 evolving for the colony of Canada -- an increasing
14 and oftentimes bitter conflict grew over control
15 of natural resources. Colonists demanded that
16 the governor answer to the colonial assembly
17 for its dispositions of Crown lands. The con-
18 flict was summed up in a report by Charles Buller
19 to Lord Durham that the Crown lands were,

20 'in name the property of the Crown
21 and under the control of an English
22 Minister; while the Assembly claimed
23 that the administration of Crown lands
24 ought to be entrusted to Ministers
25 responsible to the Assembly, and that
26 revenue arising therefrom ought to be
27 under the control of the representatives
28 of the people.'

29 Substitute 'Council' -- "

30 and an aside, at the time I was referring to the Council

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1 of the Northwest Territories, because in 1968 the
2 Council was involved in debates about who should own
3 and have benefits of mineral resources in the north,
4 whether the Federal Government or the Territorial
5 Council.

6 "Substitute 'Council' for 'Assembly' and there's
7 a familiar ring to this claim. But it was made
8 in 1838, not 1968, and the claim was granted
9 by the Act of Union, 1840.

10 In 1852, by the Imperial Statute 15 and 16,
11 Victoria chapter 39, this claim, won by the
12 Canadian colonists, was given formal recogni-
13 tion throughout the British colonies. The
14 Statute of 1852 declared that all

15 'monies arising from the sale or
16 disposition of the lands of the Crown
17 in any of Her Majesty's colonies or
18 foreign possessions,'

19 would no longer accrue to the consolidated
20 revenues of Great Britain. The colonial office
21 would say, when dealing with the surrender of
22 Rupert's Land by the Hudson's Bay Company in
23 1869, that,

24 'It is clear that colonists of the
25 Anglo-Saxon race look upon the land
26 revenue as legitimately belonging to
27 the community.'

28 Accordingly, when responsible government was
29 granted to the Australian colonies, to New
30 Zealand and to Newfoundland, the arrangement

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1 took the form of a grant by Great Britain of
2 full rights over the lands in exchange for the
3 colony undertaking the duties and obligations
4 of self-government.

5 This ordering of affairs was quite naturally
6 continued at Confederation. The British North
7 America Act, 1867, provided by Section 109,
8 that each of the four confederating provinces,
9 Upper Canada, Lower Canada, New Brunswick and
10 Nova Scotia, would retain ownership and control
11 of its natural resources. When British Columbia
12 joined Canada in 1871, it was taken for granted
13 that it would retain its natural resources.

14 The principle was carried so far that the
15 stumbling block which kept Prince Edward Island
16 out of Confederation until 1873 was the fact
17 that all its lands had been alienated in earlier
18 times by the British governor of the colony, and
19 Prince Edward Island would not come to terms
20 until it was agreed that Canada would pay the
21 new province a sufficient sum of money to enable
22 it to buy back its lands from absentee British
23 owners. Again, when Newfoundland entered the
24 Dominion as a province in 1949, it kept its land
25 and mineral resources."

26
27
28
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1 In the international context,
2 control over natural resources has been an aspiration
3 of under-developed countries almost from the inception
4 of the United Nations, finding formal recognition in
5 U.N. Resolution No. 1803 of December 14, 1962. I quote
6 from my Yellowknife lecture:

7 "...sovereignty over natural resources by the people
8 of any region is today recognized as a precept of
9 international law derived from the resolutions of
10 the United Nations. I will quote from Resolution
11 No. 1803. This resolution contains the declaration
12 that:

13 "...the rights of peoplesfreely to use and
14 exploit their natural wealth and resources is
15 inherent in their sovereignty and is in
16 accordance with the Purposes and Principles of the
17 Charter of the United Nations..."

18 That this right is intended to be afforded, not
19 merely to states as technical and legal entities,
20 but to peoples as inhabitants of a recognizable
21 geographic region, is clear in the writings of
22 international lawyers and jurists. Therefore, one
23 must conclude that the long-established precedent
24 of British colonialism, whereby the inhabitants of a
25 self-governing region are given control of their
26 natural resources is today recognized as a precept
27 of international law, applicable to all peoples every-
28 where who can assert a right to self-government."

29 The significance of the drive
30 for national sovereignty over natural resources by the

A. R. Thompson
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1 under-developed countries became clear to countries like
2 Canada during the 1973 oil embargo imposed by the OPEC
3 countries. The legal background to this OPFC action is
4 explained by Dr. Hasan Zakariya, Chief of the Legal
5 Department of OPEC until 1965, in an article entitled
6 "Sovereignty, State Participation and the Need to
7 Restructure the Existing Petroleum Concession Regime",
8 prepared in 1971 and published in 1972 in Volume X,
9 "Alberta Law Review", pages 218-231. At page 222, he
10 described the deficiencies of the legal arrangements in
11 the early concession agreements as follows:

12 "Participation in Management.

13 The exporting countries have not only been unduly
14 prevented from obtaining a meaningful share in the
15 equity ownership in the majority of the conventional
16 concessions, as has been shown but partly as a result of
17 this, have also been denied any effective participat-
18 tion in the actual management and control of the
19 various operations of the concession.

20 At page 224, he explained what
21 the Middle East states hope to achieve by new forms of
22 agreement with the oil companies:

23 "It is, of course, at once clear that ownership
24 participation in the concessions would certainly
25 increase the state's share of profits. By becoming
26 a partner in a very lucrative enterprise, the state
27 would naturally be entitled to receive -- in addition
28 to royalties, taxes and the other benefits which
29 are already accruing to it -- a share of the annual
30 dividends in accordance with normal business practice.

A. R. Thompson
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1 Although such an increase in revenues is of itself
2 sufficient reason for desiring state participation,
3 there are other intangible advantages to be
4 derived from it in the long term.

5 ...By enabling their experts to play an
6 active and direct role in the various day-to-day
7 aspects of petroleum operations, the exporting
8 countries concerned would acquire a first-hand
9 experience in these matters which would prove in-
10 valuable in facilitating the task of eventually
11 taking over these operations completely, upon the
12 expiry of the concession or perhaps even before
13 that date. Moreover, by taking an effective part
14 in the actual management of the whole enterprise,
15 which participation would entitle it to do, the
16 country concerned would at least enjoy the same
17 privileges as the foreign concessionaire in directing

18 the way in which petroleum resources are to be
19 utilized and in shaping the policies to be pursued
20 in both the short and long term.

21 All these are vital aims which transcend the
22 mere raising of government revenues. The legal
23 measures taken to attain these aims should of course
24 be of such a nature as to guarantee their realiza-
25 tion in the shortest possible period of time.

26 In these passages, Dr. Zakariya
27 is identifying the benefits of direct participation in
28 the management of petroleum developments, in terms both of
29 the financial return to the state and of the political
30 and cultural goals of its peoples. The parallel for

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1 native peoples in the Northwest Territories is that
2 financial returns from oil and gas development can
3 provide the funding for social and cultural programs
4 and participation in management can give the native
5 peoples both a voice in the decisions of natural
6 resource developers and training opportunities to enable
7 them sooner to manage on their own the land rights
8 provided in the land claims settlement.

9 It is my opinion that the
10 history of the management of natural resources
11 demonstrates conclusively that there is an abiding
12 concern by the people of a region as to when, how, by
13 whom and for whose benefit natural resources are to be
14 developed, and that countries ignore this concern at
15 their peril. The key to a just and lasting settlement
16 of native land claims will be the arrangements made
17 for the management of natural resources. Because mineral
18 resource development loom so large in the north,
19 management of mineral resources is a critical element
20 in any scheme for the management of natural resources.

21 When the prairie regions of
22 Canada obtained province-hood, (Manitoba 1870, Alberta
23 and Saskatchewan 1905), the British colonial precedent
24 whereby self-governing regions were given control over
25 natural resources, and the precedent of Confederation,
26 whereby the founding provinces of Ontario, Quebec,
27 New Brunswick and Nova Scotia and later the provinces
28 of British Columbia and Prince Edward Island were given
29 ownership and control over natural resources were ignored.
30 The Dominion of Canada retained ownership and control.
In my 1969 Yellowknife lecture, I stated:

These precedents reaped bitter years in the beginnings of the prairie provinces. Years that leave a residue of prairie chauvinism which manifested itself today when issues of national unity arise. This bitter feeling toward the imperialism of eastern Canadians find expression in writings of the times. I refer to, for example, A. Bramley-Moore, writing in 1910. His title is, "Canada and Her Colonies or Home Rule for Alberta". I also refer to Chester Martin's book, "The Natural Resources Question", published in 1920 as an official study for the province of Manitoba. I have borrowed heavily from this work, which pleads Manitoba's case fifty years after the formation of the province for transfer to it of ownership and control of its natural resources. This book profoundly affects me because of its political and moral implications. Canada's disunities today are built on inequities of yesterday. I cannot likely bear the thought that one day the northerner will condemn me, a southerner, for fifty years of exploitation of the resources he rightfully considers his own. I do not want to hear the northerner of the future say of the Territories, as Chester Martin had to say of Manitoba, that the years which followed provincehood were the most humiliating in its history. I quote:

'The province struggled courageously under financial responsibilities which, despite an economy verging upon abject parsimony, were utterly beyond the powers of the Provincial Treasurer to meet from the resources at his

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disposal.'

I cannot believe that Canadians, who are today so conscious of the need for national unity, can callously contemplate the prospect that northerners will one day take up the chorus of disunity because we abuse their birthright today.

In 1930, the Dominion of Canada transferred ownership and control of natural resources, or more accurately, what was left of them after years of outright alienation of surface and mineral rights by the federal government, to the prairie provinces. In my Yellowknife lecture, in 1969, I advocated that the historical, legal and political precedents require that ownership and control over natural resources be transferred to the regions of the Yukon and Northwest Territories when these regions are given provincial status and meantime, the Parliament of Canada should declare the federal government to be a trustee of these natural resources for these future provinces and should enact legislation for sharing management of these resources with the regions.

Since 1969, my perceptions have broadened to include an awareness of the land claims of the native peoples. As the traditional residents of the region, they enjoy the political claim to control natural resources under international law and under British and Canadian constitutional law that I have outlined in the preceeding paragraphs. In addition, they have, in my opinion, a legal claim to such control under the doctrine of aboriginal rights.

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I will now explain the kinds of interest in mineral resources that are legally recognized and the kinds of management rights that these interests confer.

In the Northwest Territories, natural resources, including minerals both onshore and offshore, are owned in the absolute sense by Her Majesty the Queen in the right of Canada. Minerals are managed by the Oil and Minerals Division of the Economic and Development Branch of the Department of Indian and Northern Affairs. Development rights to oil and gas are granted by Her Majesty to oil companies under the Canada Oil and Gas Land Regulations through a system of permits, for exploratory work, including drilling, and leases for development drilling, including production.

Exploratory rights for hard minerals are acquired by staking under the Canada Mining Regulations. Claims are converted into mining leases before any actual development takes place. Both oil and gas rights and hard mineral rights are granted subject to work stipulations, and payments to the Crown in the form of rents and royalties. Most known hard mineral deposits in the Northwest Territories have been staked or are subject to mining lease and the sedimentary regions of the Territories, where oil and gas are prone to occur, are blanketed by subsisting oil and gas permits and leases.

I've explained the oil and gas leasing system more fully in "Canada's Petroleum Leasing Policy, A Cornucopia for Whom?", published by the

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1 Canadian Arctic Resources Committee in 1973.

2 Since the exercise of these
3 exploratory and development rights requires the use
4 of surface lands for access, for drilling and mining
5 sites and for infrastructure, the regulations governing
6 the issue of claims, permits and leases confer the
7 right to use the surface for operations. The exercise
8 of these surface rights is governed by land use regulation
9 for off-location operations, by oil and gas drilling
10 and production regulations for oil and gas well locations
11 and by special development agreements for mine sites
12 such as Pine Point.

13 The pattern of ownership of
14 petroleum resources in the Northwest Territories can
15 be shown schematically. Ownership of hard minerals
16 shows a similar pattern and the schematic one shows the
17 Crown as the original owner with the capital "A" to
18 designate the original ownership.

19 Granting a permit or lease
20 to an oil company, designated as having the right to
21 explore and produce under the category, capital "B",
22 and accompanying the grant of the permit or lease are
23 obligations on the part of the oil company. The bottom
24 hatched line, showing that the oil company will have to
25 pay rentals and possibly bonuses and royalties to Her
26 Majesty and the hatched line at the top showing that
27 it is possible for the permit or lease to expire and
28 the rights to revert to the Crown.
29
30

A striking characteristic of Canadian property law is that all of the rights characterized by A, B, and C in the schematic can be the subject of independent ownership and control contemporaneously, and each owner can transfer his ownership to another and can even divide this ownership into further parts capable of independent contemporaneous ownership. Thus, in the case of a parcel of land in, for example, the Pointed Mountain region, the schematic could appear as follows:

Schematic II. What we see here is that the current ownership in this hypothetical case is that Petro Canada has taken the place of the Crown as the residual owner, should the permit or lease expire, and as owner of the royalties payable under the permit and lease, by assignment from Her Majesty. Oil company #1 has transferred 100% of its interest to oil company #2 in exchange for an over-riding gross royalty of 3%. Oil company #2 has transferred 50% of its interest to oil company #3, and oil companies No. 2 and 3 have joined operating rights of 50% each.

A typical petroleum property in Canada will reveal a much more complicated ownership pattern than is shown in Schematic II, with as many as 50 or 60 separate companies and individuals owning interests of one kind or another in the same parcel, at the same moment. The point is that Canadian law is sufficiently flexible to permit many different kinds of ownership interests to subsist at the same time.

Property rights can usefully be

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1 classified in three categories:

- 2 1. The right to sell.
3 2. The right to manage.
4 3. The right to receive revenue from the land.

5 In Schematics I and II, the
6 property rights shown as A and B -- those are the rights
7 of the original owner and the rights to explore and
8 produce -- include both the right to sell and the right
9 to manage, and the exercise of either of these rights
10 may result in the right to receive revenue. The property
11 rights shown as C -- that's rentals, bonuses and
12 royalties -- are limited to the right to receive
13 revenue. Therefore for a settlement of native land
14 claims to confer management rights over mineral resources,
15 property rights of the types shown in A and B must be con-
16 veyed to the native people.

17 The Crown can transfer A-type
18 rights in a number of ways. As to certain lands, the
19 transfer could be outright so that the native people
20 (or for example their development corporation) replaces
21 Petro Canada in our hypothetical case shown in Schematic
22 II. Or the Crown could transfer only a fractional
23 interest such as 25 or 50% or any other percentage to
24 the native people. In such event, the Crown and the
25 native people would be joint owners. Should the
26 Northwest Territories become a province, or two
27 provinces, the retained interest of the Crown would
28 change from an interest held in the name of Canada to
29 an interest held in the name of the new province. If
30 it were thought desirable, the fractional interest of the

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1 native people could be subject to restrictions on the
2 right to sell, except in the case of a joint disposition
3 made by the Crown and the native people together. It
4 must be realized that if the Crown has already granted
5 oil and gas permits and leases to oil companies (as is
6 mostly the case), the A-type rights that it transfers
7 to the native people are subject to these permits and
8 leases, and are therefore only residual. However, the
9 permits and leases confer a number of important
10 management rights on the Crown of a discretionary
11 nature, such as the discretion to renew permits, in
12 addition to C-type rights such as rents and royalties.
13 The native people would share these rights once they
14 became owners of a fractional interest jointly with the
15 Crown. Should the permits and leases terminate, the
16 native people if 100% owner, or the native people and
17 the Crown together if joint owners of fractional
18 interests, would have the right to develop the minerals
19 in any manner they wished, or leave them undeveloped.

20 B-type rights -- that was the
21 right to explore and produce -- could be transferred by
22 the oil companies to the native people in a variety of
23 ways so as to give the native people a voice in develop-
24 ment and operating decisions. It is this kind of joint
25 venturing arrangement that Dr. Zakariya is advocating
26 in the name of state participation, the benefits of which
27 he describes in the passage I just quoted previously.
28 Joint venturing is commonly practiced in the oil and gas
29 industry, with one joint venturer designated as operator,
30 and the others having prescribed ^{but} limited management rights.

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1 In most state participating agreements and in some
2 joint venturing agreements between private parties,
3 the state or a private party is ^a"carried party" -- one
4 who is not obligated to contribute to exploration
5 costs and therefore avoids the exploration risk. In
6 these agreements, the carrying party, if the venture
7 is successful in finding oil and gas, is entitled to
8 recoup all his exploration expenditures before he and
9 the carried party begin to share in production revenues.
10 It is conceivable that oil companies would accept a
11 native development corporation as a carried partner,
12 being compensated in a land claims settlement for the
13 diminution of their present interest, so that the
14 intangible advantages described by Dr. Zakariya could
15 accrue to the native people, with the industry gaining
16 through an improved climate of understanding and accep-
17 tance of their operations.

18 No one type of native
19 ownership interest need --

20 THE COMMISSIONER: Excuse
21 me, Dr. Thompson, sorry. Just before you leave it, in
22 the second-last sentence or in the last sentence of that
23 last paragraph you said:

24 "It is conceivable that oil companies would
25 accept a native development corporation
26 as a carried partner, being compensated in
27 a land claims settlement for the diminution
28 of their present interest..."

29 You mean compensated in cash from a land claims
30 settlement provided by the Government of Canada?

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1 A That would be one way
2 in which they could be compensated. Another example
3 might be that the government could forego royalty
4 points -- gross royalty points in exchange for an under-
5 taking by the developer to enter into a joint venturing
6 arrangement with, say, a native development corporation.

7 Q Yes.

8 A No one type of native
9 ownership interest need prevail throughout the Northwest
10 Territories. Interests of increasing or diminishing man-
11 agement rights, or interests which maximize revenues from
12 mineral production, can be matched to the priorities on
13 which the Government of Canada and the native people
14 agree.

15 So far I have been describing
16 how ownership interests in mineral resources can
17 confer rights to receive revenues from and to exercise
18 management rights over the development of these resources.
19 If Canadians are prepared to make a settlement of native
20 land claims that gives due recognition to the legal
21 rights of native peoples, the Canadian system of property
22 law provides the means to do so.

23 Rights to receive revenues and to
24 control development can also be conferred by legislative
25 provisions such as a requirement that the government turn
26 over to native peoples a portion of royalties and taxes
27 received from mineral development -- I cite the Alaska
28 settlement -- or a requirement that no mineral development
29 take place unless the native community gives its consent
30 in advance -- and I refer there to the example of Indian

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Reserve lands in Canada. Probably a land claims settlement would include a mixture of legislated rights and ownership rights to achieve the agreed goals of giving the native peoples in some cases a right to veto developments, in other cases a right merely to receive a share of resource revenues, and in others an opportunity to be a partner in development with an oil or mining company, or to develop the resources themselves.

I will conclude this direct testimony by a brief analysis of the land claims settlements achieved in Alaska and in Northern Quebec, and proposed for Nunavut by the Inuit Tapirisat of Canada insofar as they relate to mineral resources. I will also refer to the rules governing petroleum leasing of Indian Reserve lands in Southern Canada, and to the proposed settlement of aboriginal land claims in Australia.

Alaska. The native people received full ownership of mineral rights, subject to existing rights in the lands to be allotted to the village and regional corporations comprising approximately 40 million acres. These rights are of the A-type and confer the right to manage, but the right to sell is especially restricted for a period of 20 years. In addition, as part of the compensation for the surrender of aboriginal rights, the native people are to receive payments equivalent to a 2% gross royalty from mineral revenues in Alaska over a 20-year period up to a maximum of \$500 million.

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Northern Quebec. Under the James Bay Agreement, executed on November 11, 1975, the lands in the region are divided into three categories. Category I lands, comprising approximately 2,158 square miles, are set aside for the James Bay Crees and the Inuit of Fort George. Quebec remains the owner of minerals in these lands. Where there are existing mineral claims covering lands within the areas of Category I lands, these mineral claim lands are excluded from Category I and designated Category III lands, which are those in the region which remain public lands of Quebec unaffected by native rights. Category II lands, comprising 25,130 square miles, provide native persons with the exclusive right of hunting, fishing and trapping subject to mineral exploration and to special restrictions on mineral development.

With respect to minerals in Category I lands that are not subject to existing claims, it is contemplated that mineral development may take place, but only with the consent of the affected community on the payment of compensation. Then by a supplementary agreement made on the same date as the James Bay Agreement, the Council of Crees acknowledges that the James Bay Development Corporation will explore for minerals in Category I lands and the Corporation undertakes to expedite its exploratory work around the settlements of Rupert House, Eastmain, Fort George and Mistassini and to abandon its exploration and development rights if negative results are obtained.

Because in the Cree territory,

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1 practically all potential mineral sources are covered
2 by claims or development permits, the potential for
3 benefit to them from mineral development is very slight,
4 with the possible exception of the Mistassini
5 Reservation. It should also be noted that mineral
6 explorers and developers can exercise surface rights
7 even over Category I lands if necessary to exploit
8 their mineral claims.

9 In the Agreement in Principle,
10 the native people sought to benefit from the exploitation
11 of minerals through a provision for royalties reading
12 as follows:

13 "In addition, the native people shall also receive
14 payments of sums, in an amount not less than 25% of
15 the sum of the royalties or equivalent benefits such
16 as mining duties, to be detailed in the Final
17 Agreement, which Quebec is entitled to receive from all
18 future development in the Territory over the next
19 50 years, excluding hydro-electric development.
20 However, the said sums will be paid in respect to
21 each development which begins within the said 50
22 years only for the first 20 years of such develop-
23 ment.

24 However, such a royalty
25 provision was not accepted and instead, the final James
26 Bay Agreement provides that in exchange for renunciation
27 by the native peoples of claims to royalties, mining
28 taxes, etc., Quebec will pay and additional \$75 million
29 plus interest by the issuance of five series of bonds of
30 the province maturing 20 years after their respective

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1 dates of issue in each of the years 1975 through 1979.
2 In effect, the James Bay Agreement confers only a right
3 to receive a lump sum payment for the exploitation of
4 mineral resources, with only a limited right to control
5 development through the requirement of an agreement of
6 consent.

7 THE COMMISSIONER: Excuse me.

8 When you say that the provision cited from the Agreement
9 in Principle was not accepted, you mean it wasn't
10 accepted by the Government of Canada or of Quebec, or
11 by the natives?

12 A The clause that appears
13 on page 19 was included in drafts of the Agreement in
14 Principle --

15 Q Oh, I see.

16 A -- down to a final stage
17 of negotiations. It was deleted and a lump sum payment
18 provided at the assistance of the negotiators on the
19 part of the Province of Quebec.

20 Q Just so I follow this,
21 you say in effect the James Bay Agreement confers only
22 a right to receive a lump sum payment for the exploita-
23 tion of mineral resources with only a limited right to
24 control development through the requirement of an
25 agreement of consent.

26 Just so I've got this, you're
27 saying that that observation you've made applies to the
28 Cree territory, not to the Inuit territory.

29 A The Agreement for Consent
30 is required with respect to the approximately 2,158 square

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1 miles that are being set aside partly for the James
2 Bay Crees and the rest for the Inuit of Fort George.
3 But those areas are to be selected so as to exclude
4 any lands where there are existing mineral claims.
5 Since most of the known mineralized areas have already
6 been staked, --

7 Q But what I guess I'm
8 trying to get at is this, and forgive me for being
9 a little slow, but so far as the natives in the Quebec
10 -- so far as the Cree and the Inuit are concerned, what-
11 ever rights they might have had prior to the agreement
12 have now been surrendered for a lump sum payment of
13 \$75 million over a period of 20 years and they have
14 no further right to mineral resources on Category I,
15 Category II or Category III lands. Have I got it right?

16 A That's my understanding
17 of the agreement.

18 Nunavut.

19 Under the Proposal for
20 Settlement dated February 27, 1976, the boundaries of
21 the new Inuit territory would include the sedimentary
22 basins of the Mackenzie Delta, the Beaufort Sea and the
23 high Arctic which have high potential for petroleum
24 development. It would also include a substantial
25 portion of the pre-Cambrian region north-east of
26 Hudson's Bay and Baffin Island, both of which have
27 potential for hard mineral developments
28
29
30

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1 In these regions the Inuit
2 claim ownership in fee simple of 250,000 square miles
3 down to 1,500 feet below the surface. Existing petroleum
4 and mining rights in these Inuit lands would be confirmed
5 except that their duration would be reduced to their
6 first term, that is no renewal, or fifteen years, which-
7 ever is less, and, as to 50,000 of the 250,000 square
8 miles, the communities would require the government to
9 extinguish the existing rights for compensation or sub-
10 ject their exercise to special conditions. Following
11 a moratorium on leasing and staking, while the Inuit
12 lands are selected, petroleum and mining development
13 could take place on the Inuit lands under federal laws,
14 but only subject to an agreement for consent by the
15 community, which could include wideranging provisions
16 for social and economic development together with
17 fixed royalties. In result, the Inuit would have a
18 veto power and extensive management rights over any
19 development allowed to take place. That's in reference
20 to the 50,000 square miles.

21 With respect to minerals
22 occurring at the surface, ~~or~~ down to a depth of 1,500
23 feet, the fixed royalties would be those stipulated
24 under the federal petroleum and mining laws, and would
25 be paid by the developer to the federal government,
26 which in turn would account for the royalties to the
27 Inuit.

28 Royalties would be defined to
29 include all forms of revenue under petroleum and mining
30 leases including rentals, bonuses, gross royalties and

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net proceeds payments, and in the event these revenues were less than 10 percent of a reference value, defined as the true market or competitive value, the federal government would pay the deficiency to the community.

With respect to minerals occurring below 1,500 feet under Inuit lands, the royalty would be fixed at 3 percent of the reference value. In addition, while there would be no control over petroleum and mining outside the Inuit lands, the 3 percent royalty, based on reference value would also be payable on all mineral production below 1,500 feet under the remainder of Nunavut and under the seabed extending from its boundaries so far as Canada's jurisdiction extends.

Petroleum leasing of Indian reserve lands. A task force was appointed in 1972 under the chairmanship of Dr. Arthur Irwin, then Chief of Indian Minerals in the Department of Indian Affairs and Northern Development. To review the federal Indian Oil and Gas Regulations, which apply to Indian reserves in which the oil and gas rights have been released to the Crown pursuant to the Indian Act for administration on behalf of the Indian people. I was appointed a member of this task force, as an independent consultant.

The chief concern expressed to the task force by representatives of the Indian people, was lack of participation in development decisions. Consequent on the report of the task force, a new Indian Northern Gas Act, Statutes of Canada, 1974, Chapter 15, was enacted. Section 7(1) of the Act

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1 stipulates that,

2 "The Minister, in administering this Act, shall
3 consult on a continuing basis, persons representa-
4 tive of the Indian bands most directly affected
5 thereby".

6 THE COMMISSIONER: Excuse me
7 Dr. Thompson, would that statute have any application
8 to the Northwest Territories and the Yukon, there being
9 no Indian reserves north of 60, with one exception?

10 A That statute is expressly
11 limited to Indian reserve lands and in my opinion it
12 would have no application in the Northwest Territories
13 or the Yukon.

14 My final comment is that
15 surface ownership of land, without mineral ownership
16 is often of little value. Pre-existing mineral owner-
17 ship carries preemptive surface rights, as the James
18 Bay Agreement clearly shows, so that the surface owner
19 will invariably have to give away to the desire of the
20 mineral owner to exploit his rights. The issue of land
21 use permits under the Land Use Regulations, despite
22 the opposition of native communities is another example
23 of the preemptive character of pre-existing oil permits
24 and mineral claims. This subservience of the surface
25 owner is often economic as well as legal, particularly
26 in the north, because the speculative value of an
27 unproved oil or mineral tract normally exceeds the
28 economic value of its use for traditional hunting,
29 fishing and trapping purposes and its value for the
30 exploitation of a proven oil or mineral resource invariably

exceeds other economic uses of the land. The result of these legal and economic imperatives is that a land settlement must confer management rights over minerals, either by legislation or through ownership if the integrity of the surface rights granted by the settlement is to be ensured.

The proposed Inuit settlement would ensure this integrity of surface rights by the requirement of agreements of consent to mineral developments save as to existing rights. In the case of existing rights to minerals, integrity of surface rights would be ensured as to one fifth of the Inuit lands by the requirement that these existing rights be extinguished for compensation with ownership down to 1,500 feet transferred to the Inuit community corporations. Thereafter, the corporation would control developments of minerals down to 1,500 feet through ownership, and below that depth through the legislative requirement of an agreement of consent.

In support of my contention that a land claims settlement must confer management rights over minerals if the integrity of surface rights is to be ensured, I refer to the second report, April '74, of the Aboriginal Land Rights Commission, Australia. The Commissioner, the Honourable A.E. Woodward, quotes the words of counsel for the Aborigines as follows, and that was that paragraph 548, page 104. I omitted that reference.

"It was clear from our instructions that the title to be given to the Aborigines in respect

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of their traditional land must include the absolute right to all, both on and in the soil itself, including all minerals as well as gas and oil. This is a matter of particular importance to the aborigines. We believe that any attempt to compromise in relation to this question of mining or minerals may largely undo the benefits of granting to them ownership of their land. To grant to Aboriginal communities with the one hand, a title to their land and to take from them with the other the capacity to regulate or prevent the entry upon that land of other persons, to conduct what may turn out to be extensive mining operations, may be to largely destroy the rights being given."

The Commissioner accepted this submission, recommending that while minerals and petroleum on Aboriginal lands should remain the property of the Crown, the Aborigines should have the right to prevent exploration for them on their traditional lands and should the Aborigines wish exploration to proceed, their consent would be required and they would be free to negotiate such matters as exploration payments, royalties, joint venture interests, protection of sacred sites, Aboriginal employment and the setting up of appropriate liaison arrangements between Aborigines and the company.

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1 THE COMMISSIONER: Thank you
2 very much, Dr. Thompson.

3 MR. BELL: Dr. Thompson, would
4 you care to comment on a recent statement by the
5 Government of Canada regarding energy policy?

6 A Thank you. In May, 1976,
7 the Department of Energy, Mines & Resources issued a
8 statement of policy, proposed Petroleum & Natural Gas
9 Act, and new Canada Oil & Gas Land Regulations. This
10 described proposed legislation for Northern Canada and
11 offshore regions governing the issuance of permits and
12 leases for exploration and development of petroleum
13 resources. In addition to the legislation, there
14 will be new regulations which will supplant the Canada
15 Oil & Gas Land Regulations to which I made reference in
16 my text.

17 I just want to say that it
18 was significant to me that nowhere in this statement is
19 there any recognition or reference to the fact that
20 native claims have been made with respect to mineral
21 ownership in the north. This is a statement of federal
22 policy for development of natural resources, and maybe
23 it's a case of one hand of the government having no
24 idea what the other hand is doing, but it seemed to me
25 as if along with the obvious references to the desire
26 to have Canada itself participate, particularly through
27 Petro Canada, there was not even, as I say, the
28 slightest recognition that any mineral claims were being
29 advanced on behalf of the native persons.

30 With respect to the policy and

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1 the regulations itself, it's early to state any opinions
2 until the text of the legislation and the regulations
3 becomes available. I might just mention that through
4 my office with the Canadian Arctic Resources Committee
5 that we have commissioned studies and at the appropriate
6 places, probably Parliamentary Committee, we will be
7 stating a position as to -- or critique, I should say,
8 of proposed regulations.

9 They have a clear bearing on,
10 for example, the rents and benefits that will be
11 realized and on the terms and conditions under which
12 operations will proceed.

13 MR. BELL: Thank you. Dr.
14 Thompson is now available for cross-examination, sir.

15 (QUALIFICATIONS & EVIDENCE OF A.R. THOMPSON
16 MARKED EXHIBIT 641)

17 MR. SCOTT: Mr. Commissioner,
18 Mr. Bayly has requested that perhaps he could be put
19 down just before Messrs. Hollingworth and Steeves, and
20 I presume no one has any objection to that.

21 Mr. Sigler?

22
23 CROSS-EXAMINATION BY MR. SIGLER:

24 Q Dr. Thompson, I take it
25 that it is your evidence that under Canadian constitu-
26 tional history at least that the revenue from resources
27 has been transferred to the residents of the community,
28 together with the responsibilities for self-government
29 for that community.

30 A That is correct.

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1 Q And that that's the
2 principle that's recognized in international law as
3 well.

4 A Yes, but I did state that
5 it is clear from reading the commentaries, particularly
6 in the late '50s and '60s, that in international law
7 the principle emerged as part of the whole issue of
8 the right to self-determination, and that the right
9 was recognized in sense of peoples and traditional
10 peoples in a region rather than in the formal sense of
11 legal statehood.

12 Q Which has been the case
13 in Canada going to government or to the Crown rather
14 than to individual people.

15 A What I meant by that
16 is this right to receive revenues isn't simply a tax
17 to whoever in a formal sense is the legal owner at the
18 time. Otherwise it would have been quite right to
19 say that the beneficiary of these revenues should have
20 been the Federal Government, the Crown in the right of
21 Canada during the period when the Territories started
22 and afterwards when the provinces were formed; but the
23 principle said, "No." The principle said that this
24 right inheres in those people who live and make their
25 homes in the region, and that they have a right to
26 a political evolution which will carry with it the
27 ownership of the resource.

28 Q And I take it that your
29 evidence was that this right did actually accrue to the
30 Crown in right of the provinces as they joined the union,

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1 with the exception of the Prairie Provinces.

2 A That is correct.

3 Q And that for the Prairie
4 Provinces, this not having been done when they joined
5 the union, led to financial hardships for the Provincial
6 Governments.

7 A That is correct.

8 Q That they were unable to
9 provide the services to the people in their communities
10 without a share of the resource revenues.

11 A That's right. I think that
12 in that period of the history of the provinces, if not
13 now, the land base, the land resource was really the
14 chief economic resource for the province, just as
15 today in the north it's the renewable and non-renewable
16 resources that provide any economic base that exists
17 so that if government does not have ownership and
18 control of revenues, from the land based resources,
19 then its condemned to a state of penury from the beginning.

20 Q And would you say in your
21 opinion that it was possible to correct this situation
22 in the case of the Prairie Provinces only because the
23 major developments of the resources had not occurred
24 prior to 1930?

25 A That was not true with
26 respect to say the land resource, no. The land was
27 pretty well settled by 1930. It was not true with
28 respect to coal, which was an important mineral resource
29 in those earlier days. With respect to oil, you had in
30 Alberta had the Turner Valley discoveries and what-not

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1 predating 1930, but it was true that the major oil
2 developments in Alberta occurred in the '40s and later.

3 Q So that when they did
4 occur the Provincial Government or the Provincial
5 Crown was able to attach the royalties that flowed from
6 those developments.

7 A Yes, it was from the
8 point of view of Alberta and I suppose Saskatchewan
9 too, one of the great beneficial accidents of history
10 was the major oil was discovered after 1930 rather than
11 before, because had it been discovered before, under the
12 federal practice it would have been transferred into
13 ownership in a way that would have really deprived
14 the province of much benefit.

15 Q I take it that that was --
16 THE COMMISSIONER: What do you
17 mean, transferred to the companies that wished to
18 develop it?

19 A That's correct. In many
20 cases they were outright mineral grants.

21 Q Such as to the C.P.R.

22 A Yes.

23 Q But it wouldn't have been
24 a case of the Federal Government hanging onto it
25 and saying, "We'll look after this, we'll manage this."
26 You mean that before 1930 their policy had been one of
27 outright alienation.

28 A Yes. The policy was one
29 of certainly outright alienation or in cases like coal
30 where they did have a leasing system, a very

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1 minimal royalty reserve to Her Majesty in the right of
2 Canada, one of the reasons why the conflict was so
3 severe in the 1910s and 1920s was a sense on the part
4 of prairie residents that their resources were being
5 mismanaged, and that they were being granted away by
6 the Department of Interior in Ottawa without proper
7 benefits accruing back to the population.

8 MR. SIGLER: Q In the case of
9 the provinces such as Alberta, do any of the revenue
10 royalties from resources flow directly to the Federal
11 Government?

12 A There would only be very
13 isolated cases where the Federal Government owns mineral
14 rights because it is acquired land from the province
15 other than as part of the original public domain, as for
16 example if the Federal Government acquired say land in
17 Alberta with a view to establishing a Federal Penitentiary,
18 and then it turned out that it didn't want to establish
19 the Penitentiary, the Federal Government could have
20 ended up with petroleum rights, for example, which it
21 might have granted to an operator and it might then be
22 getting a royalty revenue from that operation.

23 Q But apart from those --

24 A But apart from those
25 very isolated type situations, the Federal Government
26 would not have royalty benefits in Saskatchewan or
27 Alberta.

28 Q Now I take it the point of
29 your 1969 speech in Yellowknife was to draw the parallel
30 in history with the transfer of resources being a

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1 prerequisite to obtaining self-government or provincial
2 status.

3 A Yes, that was so.

4 Q And at that time you were
5 speaking of self-government for all the people residing
6 in the Northwest Territories.

7 A I was speaking of the
8 -- it was in the context of the Carrothers Commission,
9 which at that time was -- had reported, I suppose, two
10 or three years before, with its clear recommendations
11 of an evolution towards self-government; and the lecture
12 was presented with a view to showing what had happened
13 in Manitoba, Alberta and Saskatchewan when self-government
14 had been reached without ownership and control of
15 natural resources, how illusory it had been as a process
16 and urging in effect anybody listening in the Northwest
17 Territories that some -- that control over and manage-
18 ment of natural resources was really a key to any kind
19 of evolution of financial independence that would go
20 along ultimately with provincehood.

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1 Q If there was a native
2 land claims settlement that committed the Federal Govern-
3 ment to sharing resource revenues with the native
4 people. Could the Federal Government then in turn
5 transfer their participation in such a settlement to a
6 new provincial government?

7 A Yes, that would certainly
8 be possible.

9 Q Now --

10 THE COMMISSIONER: Excuse me,
11 I don't quite follow that. I knew what both of you
12 meant when you said "Federal Government participation
13 in a land claims settlement". I might know what it
14 was you both agreed could be turned over to the province.

15 MR. SIGLER: Well, my point
16 in my question Mr. Commissioner was that the concern is
17 that if there were a settlement between the native
18 people and the Government of Canada that that might
19 preclude there being an evolution towards Provincial
20 Government in the Territories, as it would ensure a
21 continuing federal presence forever in the north. So
22 the point of my question was that could that type of
23 control over those kind of resources be -- could there
24 still be a transfer of resources to a provincial
25 government, say subject to the terms of the native --

26 THE COMMISSIONER: Subject to
27 the native interest.

28 A I understood the question
29 that way and my answer was that had the Federal
30 Government made an agreement it would still be in the

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1 Federal Government's power at any time later to transfer
2 whatever remained of its resource ownership to any new
3 province that would be created.

4 MR. SIGLER: Subject to the
5 earlier alienations --

6 A Subject to the rights
7 that had been granted.

8 Q This I think was done
9 for the prairie provinces that the transfer was subject
10 to the earlier alienations.

11 A Yes. The transfer have
12 always been subject to existing alienations.

13 Q Now, you refer in your
14 evidence to the Nunavut Proposal. I wondered if you
15 could contain in that proposal as a requirement of
16 10 years residency for voting and for eligibility to
17 be elected to the Nunavut Territorial Council. I wonder
18 if that length of a residency requirement is precededented
19 in Canadian Constitutional history?

20 A Not that I'm aware of.

21 Q Also, with respect to
22 the Nunavut Proposal is a mention there of the 3%
23 royalty. I wonder if you'd be able to comment on how
24 much money that would mean, that 3% in terms of today's
25 royalties that accrue to the Federal Government?

26 A Well, the existing permits
27 and leases provide with respect to natural gas for a
28 5% gross royalty for the first three years of production
29 and for a 10% gross royalty thereafter. In the Statement
30 of Policy issued on May 1976, it said that the existing

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1 10% gross royalty would be retained in the future but
2 in addition, a new progressive incremental royalty would
3 be exacted which is really a scheme designed to give
4 the Federal Government a participation on a net proceeds
5 basis in addition to the gross royalty.

6 Now, it doesn't lie within
7 my abilities to make the kind of calculation to which
8 you refer. There are potentially very large resource
9 rents involved. To give you an example, I'm referring
10 to Foster Associates' Report which is a major natural
11 gas information service published in the United States.
12 A report "Number 1048" of April 15 cites the fact that
13 the first outer continental shelf tracts in the northern
14 Gulf of Alaska and the first sale of these tracts was
15 held on the 13th of April, 1976 and it resulted in
16 a total high bids of \$571.9 million. That becomes a
17 direct revenue to the State of Alaska with respect to
18 189 tracts covering 1.1 million acres in the offshore
19 region within the three mile State territorial limit
20 in the northern Gulf of Alaska.

21 Now, that gives you an example
22 of what the companies estimate the present worth of
23 those tracts to be in current dollars.

24 Q Those are revenues from
25 exploratory and those are the lease payments, not any
26 production.

27 A This is rank -- when I
28 say "rank wildcat" what I mean is it has been subject
29 to seismic exploration. There is no previous drilling
30 and so it is classified as wildcat and the leases issued

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1 are subject to a royalty which I understand is 16 2/3%
2 gross royalty in addition to the bonus payment bids.

3 Q In Alaska, the bonus
4 payment plus the 1/6 gross royalty accrues to the
5 State.

6 A Yes.

7 Q And then to the corporations
8 and to the native settlement.

9 A Yes and I am not sure that
10 this would be a source of funds to pay the equivalent
11 of this 2% gross override up to \$500 million. It would
12 be a source of funds. In fact, the State in one sale
13 has copped the whole lot you might ^{say} of the \$500 million.

14 MR. SIGLER: I have no
15 further questions of Dr. Thompson.

16 THE COMMISSIONER: O.K. Let
17 me just follow that last sentence. They make bonus
18 payments -- bonus bids really for those exploratory
19 rights in the Gulf of Alaska. Is that the way it works?

20 A What they acquire is
21 a lease which entitles them to conduct whatever further
22 seismic type or geophysical exploration they desire
23 and then to drill, and if they find oil or gas to produce.

24 Q Well, if they find it,
25 they pay the 1/6 royalty.

26 A And only if they find of
27 course oil do they pay a royalty -- a 1/6th royalty.
28 They do not have a two-state system such they have in
29 Canada where you take out initially a permit for the
30 exploration phase and then later go to a lease or a

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1 production license as provided for in the new regulations.
2 They have a simpler system where land is posted for
3 sale. The companies bid at the sale. What they acquire,
4 if they're the successful bidder is a ten-year lease.
5 At the end of ten years, if they haven't found production
6 their rights expire. If they do find production, it's
7 subject to the 1/6 royalty.

8 Q But the cash payment you
9 said is something about 500 --

10 A Well, the total bids for
11 the Parsons was \$571.9 million. Now, these are bonus
12 bids for the privilege of acquiring the lease. The
13 largest sale of course was the -- I guess the famous
14 sale in Prudhoe^{Bay} acreage in 1973 was it, when almost
15 \$1 billion was paid by the oil companies for acreage
16 in the Prudhoe Bay region. \$917 million I think it
17 was the total figure.

18 That sum now has been exceeded
19 in sales of acreage in the Gulf of Mexico. These are
20 simply indications of the values as I say that the
21 oil companies place on acquiring a lease.

22 Q The 2% royalty to the
23 native corporations in Alaska are to go to the regional
24 corporations as I recall. Did you say that was payable
25 by the lease holders on top of the 16 2/3 royalty, or
26 is it to come out of the 16 2/3 royalty?

27 A It comes out of the 16 2/3%
28 royalty. It's an obligation by the State to pay really
29 \$500 million over a period of years, the formula for
30 payment being the equivalent of a 2% gross royalty of

A. R. Thompson

Cross-Exam by MacQuarrie

1 production revenues.

2 Q Payments are made as
3 according to, so it might take ten years, it might take
4 50 . Is that the --

5 A That's right. It might
6 take five years. It might take the whole 20 years
7 the settlement was intended to cover.

8 THE COMMISSIONER: Right.

9 MR. SCOTT: Mrs. MacQuarrie?

10 CROSS-EXAMINATION BY MRS. MacQUARRIE:

11 Q Dr. Thompson, on page
12 24 you mentioned the Lands Settlement Agreement in
13 Australia.

14 A Yes.

15 Q Is that in effect at
16 present or were they merely recommendations?

17 A The most recent information
18 I have is that a bill -- that bills have been introduced.
19 I have a copy of the "Aboriginal Land and Northern
20 Territory Bill of 1975" introduced in the House of
21 Representatives but I am not -- I don't know what the
22 current status is.

23 THE COMMISSIONER: That is
24 a government bill though?

25 A Yes.

26 Q What was the date of its
27 introduction? The Whitlan Government established the
28 Woodward Commission.

29 A Yes.

30 Q That bill, if it were

A. R. Thompson
Cross-Exam by MacQuarrie

1 introduced since the election in Australia would
2 perhaps be an indication of what may happen.

3 A That's right. The
4 Xerox I have -- oh here it is -- presented for the first
5 time 16th October '75 so you see it's quite recent.
6 I don't know as to its fate at the moment.

7 Q The Whitlan Government
8 is no longer in office then.

9 A No.

10 Q You said "northern
11 territory". That is the -- the Northern Territory is
12 a territory. It isn't a state.

13 A That's correct.
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A.R. Thompson
Cross-Exam by MacQuarrie

1 Q And that bill would be
2 confined to the Northern Territory.

3 A Yes.

4 Q I take it.

5 A Yes.

6 MRS. MacQUARRIE: Q My second
7 question is going to be whether or not it was a
8 satisfactory resolution.

9 A Well, unfortunately I
10 can't answer that because I don't know the status of
11 the legislation.

12 Q Then is this the kind
13 of a settlement that you might recommend as being
14 suitable for the Northwest Territories?

15 A If the Commissioner's
16 recommendations were followed, it does recognize the
17 fact which is to me the most important one, namely, that
18 as to the land areas that are vital to the native
19 interests, they must be given not merely surface rights
20 but mineral ownership as well, because without the
21 accompanying mineral ownership, the surface rights are
22 placed in such jeopardy, and I think that we can give
23 endless examples of that situation. I know even the
24 ranchers in Kamloops discovered to their horror a few
25 years ago that under B.C. mining law the claim
26 stakers could enter without even their consent in
27 advance to stake claims, and they learned this when
28 that Afton play was on a few years ago.

29 So I think that the Commission-
30 er, I agree with the kind of recommendation you make

A.R. Thompson
Cross-Exam by MacQuarrie

1 which as to the traditional lands which I understand
2 to be those that were most important to the aboriginal
3 persons; with respect to those he recommended that
4 mineral rights should go along with the other ownership
5 of the land so that the native organizations could con-
6 trol mineral developments.

7 I have never been one to
8 assume that in the longer run the economic interests
9 perceived by native organizations would be very much
10 different than the economic interest perceived by anybody
11 else, and so they're going to want to manage the
12 exploitation of resources. They may have a difference
13 in the sense of the timing, and of the development, and
14 as to who should develop it. I think it's wrong to think
15 that if you assign mineral ownership to native organiza-
16 tions, that you are automatically putting all the
17 resource values into a sort of perpetual storage.

18 Q Well, in view of the
19 present level of expertise available in the Northwest
20 Territories among the native people, do you think that
21 they are ready at this stage of the game to assume that
22 kind of responsibility?

23 A I don't think they're --
24 I'm only speaking from my own very limited experience --
25 I don't think they're ready to assume that responsi-
26 bility, any more than our fledgling governments in
27 Western Canada were ready to assume the responsibility
28 back in the '20s and the '30s and maybe their plight
29 is more like the case of the Africans. I think the
30 point is that you have to start somewhere, and the

A.R. Thompson
Cross-Exam by MacQuarrie

1 other point is that in the kind of specialized world
2 we have today, most of the things are done through
3 arrangements with those with expertise. Even Imperial
4 Oil seldom actually drills a well; they hire
5 contractors to do these things. They hire management
6 consultants, and I suppose the point I'm making is that
7 you have to start sometime to learn how to do things,
8 and in the meantime it's possible to get help and
9 assistance and advice.

10 MRS. MacQUARRIE: Thank you.

11 I have no further questions.

12 MR. SCOTT: Mr. Bayly?

13 MR. BAYLY: In view of the
14 time, Mr. Commissioner, I wonder if I could commence
15 after lunch? It's 12:30.

16 THE COMMISSIONER: O.K. We'll
17 resume at two o'clock then.

18 (PROCEEDINGS ADJOURNED TO 2 P.M.)
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(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. SCOTT: Mr. Bayly?

CROSS-EXAMINATION BY MR. BAYLY:

Q Dr. Thompson, you've spoken about the pattern of withholding resource control after political control was granted, it was seen in Canadian history in the prairie provinces, and given that as the generator of a great deal of bitterness, you've set this out in the speech that you made in Yellowknife, would you anticipate that if the same thing were done in the Northwest Territories and the Yukon, that both white and native residents might well exhibit the same kind of resentfulness of the federal government?

A I would think so. I think that already on occasion I've seen evidence of deep concern on the part of northern residents about aspects of federal government oil and mining policy and the fact that -- or concern that revenues are not credited to the area. I don't know whether it's reached the stage of bitterness yet, but I think that if there were provincial status with the full fiscal responsibilities that provincehood entails, that bitterness would develop if there were not along with that control over resource revenues.

Q Yes. Now, I gather concern was expressed on the prairies about mismanagement of resources by the Department of the Interior after the province achieved provincehood. We have heard evidence here that economic rents and royalties on

1 resources extracted in the Northwest Territories and
2 the Yukon are very low in comparison to the rest of
3 the country and to other parts of the world as well.
4 Was this the sort of mismanagement which was complained
5 of?

6 A Yes, the Royal Commissions
7 were appointed for Alberta, for Saskatchewan and
8 Manitoba in the early '30's to make a determination of
9 the extent to which the federal government had
10 appropriated natural resource revenues during the period
11 between when the provinces were formed and the 1930
12 transfer of resources. The end being to put the prairie
13 provinces on an equal footing with the older provinces
14 of Confederation. The record of that Royal Commission
15 is available in the archives at the Legislative Building
16 in Edmonton, and I spent a good many hours studying the
17 Royal Commission journals. Very substantial evidence
18 was drawn to show mismanagement by the Department of
19 Interior during the period up to the 1930's and this
20 mismanagement related -- as charged, related to failure
21 to secure adequate rentals, an adequate purchase price
22 for land that was settled, land that was granted as
23 subsidies to colonization railways and failure to deal
24 adequately with mineral resources. As a result of those
25 commission inquiries, there were sums of money agreed upon
26 which the Dominion of Canada paid to the respective
27 provinces for the purpose of trying to reinstate their
28 positions. The -- it was in the light of that history
29 that I recommended in '69 that the federal government
30 should then declare itself a trustee ultimately for the

A.R. Thompson
Cross-Exam by Bayly

1 people in the north because if that sort of thing occurred
2 what you would have would be from the beginning, a
3 proper accounting system, rather than waiting, as was
4 done in the past, to the 1930's and at that time to
5 try to dredge up the record of the past 30 years and
6 come to some sort of a balance sheet.

7 Q Then, given that situation,
8 the one that you recommend, would it be possible for
9 them to be trustees of the northern people in the
10 absence of the northern peoples having a say in what
11 the royalties and economic rents should be, if in fact
12 they are too low in this part of the country?

13 A Well, the trusteeship
14 would be sort of an interim measure. It assumes that
15 ultimately there would be fully resolved -- the right
16 balance of ownership and beneficial interests.

17 Q And were any of the
18 complaints made to the Royal Commission concerning the
19 misuse of the resources in the prairies based on the
20 use to which the money was put that was derived as
21 royalty?
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A.R. Thompson
Cross-Exam by Bayly

1 A Well, during that period
2 the revenues simply went into the Ottawa Treasury and
3 the accounting that took place was one of trying to
4 estimate on the Federal Government's side the various
5 payments and appropriations that had been made for the
6 Prairie Provinces that were different from the general
7 level of appropriations that the Federal Government
8 made for other provinces, and then to set that off
9 against the revenues from land sales and rentals and
10 from minerals, and to reach a sort of an accounting.
11 It was -- that was the sense in which revenues were
12 considered.

13 Q And as you say, that's
14 much more difficult after the fact than if you set up
15 this system prior to extracting great amounts of
16 resources.

17 A Yes, much of the records
18 were lost and of course it also led to the charges of
19 maladministration and misappropriation of funds and
20 led to all sorts of, as I say, bitterness and political
21 difficulty. We don't realize it now, but in the '20s
22 this was a major political crisis and constitution in
23 the western provinces, this whole question of the owner-
24 ship of resources.

25 Q Now, you've gone through
26 the pattern of granting responsibility for resources
27 in your evidence and it appears to be in this country
28 to recognize existing rights, alienations and agreements
29 between the Crown and other parties. Now, in your
30 opinion is there any way in which the Federal Government

A.R. Thompson
Cross-Exam by Bayly

1 could continue to deal with land in the Northwest
2 Territories and the Yukon without prejudice to native
3 rights prior to a land agreement being reached with
4 them, and if so, can you suggest any of the recommended
5 procedures they might take?

6 A It's possible for the
7 Federal Government to continue as they are now, adminis-
8 tering these resources without paying any attention to
9 native claims. The sort of changes that I can say
10 would be that there should be interim provisions which
11 could include a more careful accounting of these revenues
12 than maybe is now occurring. But the essential thing,
13 it seems to me, is that as rapidly as possible there be
14 a delineation of the lands according to the categories
15 they should fall into, as has been done in the Nunavut
16 document, or as it's proposed in the Nunavut document.
17 In that document they recommend a moratorium on develop-
18 ment during the time required to delineate the 50,000
19 square miles which is an estimate of the amount of
20 land that is essential to the communities that would be
21 in the territory.

22 I think that a moratorium of
23 that kind is essential while this type of a process works
24 out. On the other hand, to have the moratorium imposed
25 over the entire Northern Territories waiting for an
26 indefinite period of delineation of especially designated
27 lands isn't likely to be a feasible approach. So I
28 think that any recommendation for a moratorium has to
29 set time limits within which this process of refining
30 the lands that are vital will be carried out.

A.R. Thompson
Cross-Exam by Bayly

1 Q You could see, though,
2 a moratorium on a year to year basis, for example.

3 A Yes.

4 Q As a possibility.

5 A Yes, for the example
6 the reason I stated before that if surface rights are
7 essential over time, then I think the mineral rights have
8 to be under control by the surface owner because without
9 control over the mineral rights the surface owner will
10 find that he really isn't master of his fate in terms of
11 the surface use of the land.

12 Q That's the point that you
13 have made in your evidence and in your Yellowknife lecture
14 and with particular reference to the plight of the
15 James Bay people who have to choose category 1 land,
16 exclusive of those in which there has already been
17 staking of mineral claims and the procuring of mineral
18 leases.

19 A Beyond that, even, even
20 the category 1 lands are subject to the exercise of
21 surface rights as may be necessary for persons holding
22 existing mineral rights to get at the mineral lands.
23 That is if access is required over category 1 lands, to
24 get to the land which is subject to pre-existing mineral
25 rights, then even that right is given, and even the
26 category 1 lands are subject to surface rights of certain
27 kinds.

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A. R. Thompson
Cross-Exam by Bayly

Q Now, you have stated that most of the mineralization in northern Quebec has already been explored and state, "where it appears to be promising and leased but appears to be able to support a producing mine." Is that not also the case in large parts of the Northwest Territories covered by both the Dene claim and the Nunavut proposal?

A Yes, I believe that is so. Canada has had good reason to be proud of its geological survey, which means that we have had for many years among countries of the world probably as good an inventory of mineralization as you'd find anywhere. Of course, one of the consequences of this is that certainly the surface mineralizations are known and where they can be subject to claim, they've been claimed.

Q So it might well be meaningless to be granted surface rights to large areas of the Northwest Territories given the pattern of staking and leasing that presently exist without some measure of control over the sub-surface rights?

A Yes. It somewhat depends on the kinds of surface rights that are contemplated. If the area is close to communities or intensively used in any way, then it's absolutely imperative that you have control over sub-surface rights. On the other hand, in areas that are not so vital, depending on the issue, it just isn't as important because you don't have such an aggravated conflict of land use.

Q Right. Now, you have set out in your evidence two diagrams that indicate that

A. R. Thompson
Cross-Exam by Bayly

1 there are present arrangements that can be made under
2 Canadian laws for sharing between parties whether they
3 be government, industry or in your example, native groups
4 -- I believe that's starting at page 11 and going to
5 page 13 -- and it appears that native people could fit
6 into this pattern, could retain their rights and still
7 participate without upsetting the management arrangements
8 that have in the past and at the present are being made
9 between government and industry?

10 A Yes, that's certainly true.
11 The Federal Government's Policy Statement envisages that
12 Petro Canada will play an increasing role. In this
13 statement, that is indicated by the announcing that
14 one of the features of the new legislation will be that
15 at the point when a company moves from the exploration
16 to the development stage and applies for a development
17 license, the government may in its discretion require
18 that there be at least a 25% Canadian content in the
19 make-up of the developer. That has led to speculation
20 about ways -- vehicles -- that might be used to
21 accomplish that -- requiring companies to re-organize
22 and take in different shareholder make-ups or more
23 likely, requiring them to joint venture with Canadian
24 operations. Well, for example, it could be government
25 policy that within the Northwest Territories or in
26 certain regions of it that at the stage you move into
27 a development license, that the operator must take a
28 native development corporation in as a joint venture
29 with a certain percentage carried interest.

30 Q I see. Would you --

A. R. Thompson
Cross-Exam by Bayly

1 A That could contribute to
2 the make-up of the 25% Canadian content requirement.

3 Q I understand. Now, would
4 you envisage the possibility then of, in certain areas,
5 native peoples filling that role that Petrocan presently
6 fills in some developments and not only being a carried
7 party or a participant but also having the right to
8 take the reversion interest if a lease is either to be
9 forfeit or allowed to lapse, for example?

10 A Yes. There's a lot of
11 experience in the world in terms of development corpora-
12 tions in native people of under-developed countries.
13 A precedent would be to start and become established
14 in the form of a carried interest situation where you
15 are relatively a passive partner and then as experience
16 is gained, capable people are trained through one way
17 or another, then the role of the development corporation
18 becomes more aggressive and the time would come when
19 it would be a full joint operating partner, and ultimately
20 it could undertake developments on its own initiative.

21 This kind of step by step
22 relationship has been a form of training ^{ground} in Africa and
23 in the Middle East and in South American countries as
24 well where they've developed state or national petroleum
25 companies.

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A.R. Thompson
Cross-Exam by Sayly

1 Q So on the industrial side
2 this is similar to the comment that you made about the
3 Northwest Territories and the Yukon perhaps, being no
4 more ready to govern themselves than were the Prairie
5 Provinces or some of the African nations, but perhaps
6 no less ready; that you have to start somewhere.

7 A Yes, that's I think the
8 gist of what I was saying. The petroleum industry is
9 a very sophisticated industry, one nobody just plunges
10 into.

11 Q Except perhaps the
12 government.

13 A But even Petrocan, you
14 will find, are pretty careful in setting its goals,
15 especially Petrocan.

16 Q Now I take it that with
17 regard to both participating in this kind of
18 development and participating in governing oneself,
19 your basic points are, first of all, that you can't
20 learn just by watching.

21 A Yes.

22 Q Then secondly, that you
23 require the right to make your own mistakes as well as
24 successes.

25 A And certainly that's an
26 essential part of learning from experience.

27 Q And the third might be
28 that the people who occupy the lands may be able to,
29 in the long run, administer them better than people who
30 are not occupying it.

A.R. Thompson
Cross-Exam by Bayly

1 A Yes.

2 Q Whether they be native
3 people or white people.

4 A Yes, I think that you
5 know, one could make a case for saying that those who
6 are closest to the land are the best stewards of the
7 land, and I think that one could support that statement
8 with a good deal of evidence in the past in many
9 countries.

10 THE COMMISSIONER: Well, the
11 main thing, as I understand it, Dr. Thompson, in your
12 evidence is that you said the legal regime pertaining
13 to oil and gas rights in the Northwest Territories
14 could be accommodated to a land claims settlement that
15 conferred some measure of entitlement to participate
16 in the ownership, the management and the revenue from
17 the development of oil and gas. That's what I thought
18 you were trying to get across, and did in fact get
19 across so far as I'm concerned. Have I got it straight?

20 A Yes, that's --

21 Q I appreciate you said
22 more than that, but --

23 A I think this is -- part of
24 what motivated this statement is that the idea of
25 having a share in mineral rights seems to be presented
26 in such simplistic terms as if it were all or nothing,
27 as if you were turning over the whole operation; whereas
28 the reason I went to maybe excessive lengths to show
29 the little bit of the way our property law system works,
30 is to show just what great possibilities there are for

A.R. Thompson
Cross-Exam by Bayly

1 working out sensible arrangements that will provide
2 revenues, give control in the places and in the situations
3 where it's essential, provide vehicles for encouraging
4 and training and bringing on, for that matter not just
5 the native people, in these terms of managing in this
6 sophisticated industry, there wouldn't be much talent
7 in the Northwest Territories at all, and much of the
8 talent is --

9 Q Not much resident talent.

10 A No, and much of it is
11 non-Canadian in the industry as a whole as we know,
12 so that there are very sophisticated tools, you might
13 say --

14 Q Yes.

15 A -- available to meet the
16 requirements of a land settlement.

17 THE COMMISSIONER:

18 Yes, that's what I gathered from this and if I may say so, I thought it was put very
19 lucidly in your evidence.

20 MR. BAYLY: And what you're
21 saying as well about particular proposals that have
22 been made -- and I'm thinking of the Nunavut proposal
23 as the example that you used -- it has been set out in
24 that proposal that some of these things that you have
25 thought of as ways of sharing have been put forward by
26 native groups.

27 A Yes, the Nunavut
28 document I think is, in terms of mineral interests, is
29 a very well thought-out and practical approach to the
30 subject because it tries to serve all the different

A.R. Thompson
Cross-Exam by Bayly
Cross-Exam by Steeves

1 needs. It serves revenue needs by its provision for an
2 over-riding 3% oil royalty. It serves the needs of the
3 communities by proposing to carve out a limited area,
4 50,000 square miles where there would be exclusive
5 control, and in other areas what's proposed is a system
6 of within the Nunavut lands of agreements to consent
7 which would in fact I think contemplate a whole
8 variety of relationships, an agreement to consent on
9 the part of the local community could result in a joint
10 venture undertaking arrangement, for example.

11 MR. BAYLY: Thank you, Dr.
12 Thompson. Those are all the questions I have, sir.

13 MR. SCOTT: Mr. Hollingworth?

14 MR. HOLLINGWORTH: I have no
15 questions.

16 MR. SCOTT: Mr. Steeves?

17 CROSS-EXAMINATION BY MR. STEEVES:

18 Q Would you object
19 to leaving a copy of that bill -- I take it it's in the
20 Federal Parliament in Australia.

21 A That's right, Mr. Steeves.
22 I just have one copy, but maybe we could arrange to
23 get it xeroxed.

24 THE COMMISSIONER: Yes. Maybe
25 you could let Miss Hutchinson have it and --

26 A I'll do that.

27 Q And we'll send, if it isn't
28 xeroxed before you leave we'll certainly send it back
29 to you.

30 A Thank you.

A.R. Thompson
Cross-Exam by Scott

MR. STEEVES: That's the only question I have, sir.

CROSS-EXAMINATION BY MR. SCOTT:

Q Dr. Thompson, I have one or two questions. Are you aware of any Canadian example of a situation in which a group of land owners within a governmental area have been given a, in substance, a veto over the use of their land?

A I think that I'd answer that in this way, that a land owner has the right to decide how his land shall be used, but subject to certain kinds of restraints, and expropriation is one. So a land owner's property could be subject to expropriation. Is this -

Q Do you know of any precedent in Canada or indeed anywhere else in the world in which a political governmental structure has created an exception to that principle in favor of a land-owning group?

A I don't know of any such country. In the tradition of the English law countries, the Crown has a power of expropriation. In the United States eminent domain is a basic feature.

Q And I take it that even the Australian proposal -- and it's no more than a draft bill at the moment -- builds in that traditional restriction on land owner's rights?

A I agree that it should be there. That is that within the political region there

A.R. Thompson
Cross-Exam by Scott

1 can be an over-weaning public interest that requires
2 that there should be expropriation for certain purposes.

3 THE COMMISSIONER: Well, you
4 don't build it in. Eminent domain is implied by virtue
5 of sovereignty, isn't it?

6 A Well, it's a prerogative
7 right initially in the English system, and in the United
8 States I guess eminent domain is provided for right in
9 the Constitution.

10 Q And you couldn't in Canada
11 exclude the power of any government to exercise its right
12 of eminent domain unless it were -- there were provision
13 entrenched in the B.N.A. Act denying them that right.

14 A Yes, I would think that's
15 so, and as I say, it wouldn't be something I would favor.

16 MR. SCOTT: Q To put it the
17 other way, Dr. Thompson, its existence is something that
18 you do favor.

19 A Its existence is some-
20 thing that I do favor and I think it's --

21 Q I take it that the reason
22 that you favor it or one of the reasons that you favor
23 it is because it is necessary for the implementation in
24 any governmental system of national policy.

25 A Yes, it's necessary in
26 terms of public interest or national policy.

27 Q You would attach no
28 qualifications to those statements that you've just made,
29 as applied to land owners in the Northwest Territories?

30 A No, any land ownership

A.R. Thompson
Cross-Exam by Scott

should be subject to rights of expropriation as is the case with any land owner, and from a political or legislative point of view I would find it hard to accept any curtailment of the right of expropriation. A pretty strong case would have to be made for it.

THE COMMISSIONER: Except that you would insist upon due process and fair compensation and so forth.

A Yes, that's right, and the right of expropriation itself is subject to subtle political influences. It's something that I've had to give quite a bit of thought to in recent times. Supposing that the province decided that it didn't like the location of a proposed federal pipeline, and of course provincially owned, Crown owned lands are required for much of the right-of-way through a province like British Columbia. Would the right of Her Majesty in right of the province be subject to expropriation? I think the answer is clearly "Yes" on the law, but from a political point of view you raise a whole series of other kinds of questions which place the kinds of restraints that dictate to a prudent federal government that they had better find some other way to locate the pipeline, if possible.

MR. SCOTT: Those second considerations, you've characterized no doubt correctly as questions of political prudence, there is no doubt in your mind about the necessity of either expropriation or eminent domain in the Federal Government.

A.R. Thompson
Cross-Exam by Scott

1 A No, I -- Yes I -- there's
2 no question in my -- no -- there is a question in this
3 sense, I'm not at this point knowledgeable enough or
4 in a position to say whether or not there should be
5 certain special political rights. I know that the
6 Nunavut document has some references to special political
7 status. Now, it could be that those negotiating for
8 the native people consider certain land areas to be so
9 vital as to want to negotiate curbs on the power of
10 expropriation. Now, I don't suggest at all that any
11 federal government representative could responsibly
12 bargain away the right to expropriate altogether. I
13 think that that right is essential and in the main, all
14 I'm saying is I don't want to be taken as prejudging
15 what, to the negotiators for native people may be
16 vital elements of a land claim settlement, which requires
17 as I say, certain limited curbs or restraints on the
18 part of expropriation, and I could countenance that that
19 could be possible.

20 Q But isn't the difference
21 with the Nunavut proposal that it creates a -- I don't
22 know precisely what they call it, but either a Territorial
23 or a provincial political structure in which the --
24 the political structure, if you wanted to call it the
25 Crown in right of Nunavut, becomes the owner of the
26 lands, isn't that so?

27 A Yes, this is correct.

28 Q Right, and therefore you
29 don't have the problem that we have today been contem-
30 plating in which you have, let us say, the Northwest

A.R. Thompson
Cross-Exam by Scott

1 Territories, the Crown in right of the Northwest
2 Territories on the one hand and ownership of all the
3 land not in the Northwest Territories, but rather in
4 a group of land owners.

5 A M-hm.

6 Q And I take it that in that
7 second case you recognized the necessity of compulsory
8 taking, in either the territorial government or in the
9 federal government?

10 A Yes and for that matter,
11 in the Nunavut document there's no suggestion that the
12 power of expropriation wouldn't continue to exist so
13 that Nunavut may find itself wanting to expropriate
14 land that's claimed by a community corporation and
15 the federal government, in its turn, might want to
16 expropriate interest from Nunavut.

17 Q And while it's a political
18 question, and we'll reserve those matters to be dealt
19 with elsewhere, it's generally recognized that that
20 power of compulsory taking against an individual or a
21 group should properly be exercised in the interests
22 of the whole constituency for which the government
23 has a responsibility.

24 A Yes.

25 Q Those are all the questions
26 I have, thank you Dr. Thompson.

27 A Thank you.

28 THE COMMISSIONER: Any
29 re-examination?

30 MR. BELL: I feel like there

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Re-Examination

should be.

RE-EXAMINATION BY MR. BELL:

Q I'm not sure I quite understood the entire discussion that you had with Mr. Scott just now, Dr. Thompson. The question that arises in my mind is this, we've had evidence that the special relationship that native people had with the land is essential to the survival of their culture, and I'll ask you to accept that for the moment. Are you saying that when you're talking about the right of expropriation that the right should be able to extend to the point where there is an overriding power to remove the foundation of that relationship and the foundation of the culture?

A No. The sort of restraint that I was referring to, that is, part of the ^{very} negotiated settlement may be restraints on the power of expropriation where this power would be seen to totally undermine the main goals that are sought in the settlement. It should be remembered here that the power of expropriation itself is limited. For instance, nobody has any power to expropriate the right to go and explore for and find and produce mineral or petroleum. On the other hand, we are used to the fact in our society, that if you have to move from point A to point B, and it's in the general public interest that people should be allowed to move from point A to point B, then no one will be allowed to be a hold-out in between, and therefore there's enough power to expropriate for pipelines and highways and railways, etc. If you're talking about a project like a Mackenzie

Valley Pipeline, the difficulty is that it doesn't fit readily within the kinds of examples of expropriation we think of. We think of -- or at least our experience in the past has been with respect to more limited projects which would not have the kinds of impacts that brings this Commission here, and it's usually a question of the odd one or two farmers who aren't content to take the settlement that's offered by the real estate agent, or the buyer who goes out and buys easements and these people hold out for more money and as a result, formal expropriation proceedings are taken and the Court settles the value of compensation. We simply are dealing here with a project of such a different order of magnitude and concept, that as I say, I just come back to what I said, that the power of expropriation is necessary in some situations in the public interest, that I would assume that in any settlements that are made, that the basic purposes and objectives of the settlement will be taken into account in possibly bargaining restraints on the use of the power of expropriation, statutory limitations.

THE COMMISSIONER: Well, the use of the power of expropriation to build this pipeline is ultimately a political decision anyway.

A It's a political decision anyway, a project of this scale. When it comes to -- supposing a major trunkline were built, this pipeline were built and then it gets to be a question of laterals to serve Yellowknife or to serve any of the communities along the Mackenzie, that's the more typical situation

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where we see the power of expropriation being -- there's not much of a political issue in cases like that, about the wisdom of building a lateral and if someone wants to be a hold-out along the way, that's the sort of typical situation where you use the power of expropriation.

MR. BELL:

Q Perhaps I could summarize my understanding of what you're saying then is that the power of expropriation, while it should exist, whether it should be exercised in a given case is another question.

A Yes, the power should exist, major projects like the Mackenzie Pipeline are settled on a political basis and the power of expropriation is an insignificant point. Once these major systems are built, then the power becomes important in individual situations, but seldom will the power of expropriation settle a major political issue like building a pipeline and the great debates, so-called, about the TransCanada Pipeline is another example in our national history.

MR. BELL: Those are all the questions I have sir.

THE COMMISSIONER: Well, thank you Dr. Thompson, for sharing your very wide knowledge of the oil and gas industry and the system of property arrangements relating to oil and gas and other minerals in the Northwest Territories. Thank you very much sir.

A Thank you.

(WITNESS ASIDE)

MR. BELL: That sir, concludes the evidence that I'm prepared to call at this time although there will be some later on in the Inquiry, and I think it's now Mr. Steeves turn.

MR. STEEVES: I'm sorry, I wonder if my friend could tell us what other evidence he will be calling?

MR. BELL: Yes sir, I'm sorry --

MR. STEEVES: Is it the balance of the written evidence you handed out?

MR. BELL: The evidence that is yet to be called consists of a panel on alternative economic development, the -- not all of the summaries of that panel have been distributed owing to the illness of one of the members of the panel, and as I said some time ago, there will be a panel on policy questions which will be called at a time convenient to all parties, as well as the evidence of Professor Falk who couldn't make it because of the air strike this time.

THE COMMISSIONER: And I understand that Dr. Asch and Mr. Rushforth will be available for cross-examination Thursday.

MR. BELL: Yes, that's correct.

THE COMMISSIONER: Okay.

MR. STEEVES: Sir, I am going to now call Dr. Charles Hobart who is the first witness in Panel 1 of the evidence of Arctic Gas in Phase 4 of your Inquiry. His evidence will be followed

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1 by that of Mr. Trusty tomorrow. I call Dr. Hobart.

2 THE COMMISSIONER: Well, Dr.
3 Hobart --

4 MR. BAYLY: Excuse me just a
5 moment. Mr. Commissioner, just before Dr. Hobart
6 begins, because we received the evidence of Dr. Hobart
7 in the middle of last week, I will not be in a position
8 to cross-examine Dr. Hobart at the conclusion of his
9 evidence in chief and I've spoken to Mr. Steeves about
10 it. I understand from him that Dr. Hobart will be
11 reappearing on the -- in the fourth panel of Arctic
12 Gas, and I will be seeking to cross-examine him then on
13 his evidence on both appearances, so that we won't cause
14 any unreasonable delays, but I just won't be ready
15 until the end of this week at the earliest.

16 CHARLES HOBART, resumed:
DIRECT EXAMINATION BY MR. STEEVES:

17 Q Are you Dr. Charles
18 Hobart?

19 A I am.

20 Q And are you a Professor
21 in the Department of Sociology at the University of
22 Alberta, Edmonton campus.

23 A Yes.

24 Q And are the statements
25 of facts set out under tab 3 of a folder called "Testimon
26 of Qualifications" on panels one to three, true and
27 correct?

28 A They are.

29

30

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1 A They are. Yes.

2 Q Would you turn now to
3 your evidence please? I understand that you have, in
4 certain portions of your evidence proposed to not
5 lead in certain areas?

6 A I think perhaps I can
7 save us all some time by skipping over some things which
8 don't really need saying at this point.

9 Q Well, you have my
10 felicitations.

11 THE COMMISSIONER: That's an
12 alarming precedent.

13 MR. STEEVES: Can you just
14 warn us when you're going to do that?

15 A Yes. I will.

16 Q Thank you.

17 A Shall I proceed?

18 Q Yes, would you proceed
19 please?

20 A Mr. Commissioner, in
21 January, I presented to this Inquiry a socio-economic
22 overview of the Mackenzie Delta region. I have been
23 asked to extend that overview to include all of the
24 corridor along the Mackenzie River that would be directly
25 affected by the proposed pipeline.

26 While I again will be covering
27 some of the ground that was covered a year ago by
28 Drs. Helm and Stager and on occasion will be reiterating
29 some of the points that I made in Inuvik, I feel that
30 the development of an adequate overview of the whole

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corridor at this time will provide a context for the other evidence to be presented in this phase.

My personal acquaintance with the settlements of the middle and upper Mackenzie communities is much more recent and more brief than is my familiarity with the Mackenzie Delta communities. However, I have been involved in several research studies that focused on this area and have studied the relevant literature. Furthermore, the nature and the consequences of Euro-Canadian impact on the native people of the middle and upper Mackenzie regions are basically similar to those for the lower Mackenzie Delta region and the greater ethnic homogeneity of the regions south of the delta make this area easier to comprehend. Comprehension is aided by the somewhat slower pace of change in at least the middle reaches of this area.

Now, I want to skip over pages two and three. Basically, I am simply noting there that there are certain similarities between all of these communities, to wit that they are areas of recent permanent settlement by both native and whites, that they have very young populations by comparison with southern Canadian communities for example. And that all of these communities have a rather heavy dependence on government sources of income, either in the form of Federal or Territorial Government payrolls or in the form of transfer of payments.

Now, I'll skip over to the middle of -- well, let me continue skipping. I talk

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1 about three different clusters of communities, the
2 fact that the upper Mackenzie communities tend to be
3 large and have a highway access to the south. The
4 middle Mackenzie communities tend to be small with the
5 exception of Norman Wells, and that the delta communities
6 are the most heterogeneous of the bunch.

7 Now, that brings me to the
8 bottom paragraph on page five. In the remainder of this
9 statement, I shall briefly review the most salient
10 points relating to the history, culture, demography,
11 social interaction, economy and education characteristics
12 of this admittedly long and diverse Mackenzie River
13 corridor region.

14 Now, let me point out that I
15 will have some material on drinking and violence which
16 I will present in the fourth panel. I won't go into
17 that on this occasion. I shall make limited reference
18 to the Mackenzie Delta communities as I have noted
19 earlier.

20 History. Page six. The
21 most important aspects of the historical development
22 of contacts between Euro-Canadians and native people
23 in this Mackenzie corridor were well reviewed by Drs.
24 Helm and Stager a year ago, and by several others since
25 then. Thus, I shall presume this background and
26 restrict myself to a few observations on the changes
27 that have taken place.

28 Fort Simpson was established
29 in 1804, Fort Good Hope in 1805, Fort Norman in 1810
30 and Fort McPherson in 1840. Steamboats began running

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the length of the Mackenzie River as early as 1887, displacing the York boats and providing some employment for steamboat crewmen, wood-cutters and so on. This development reduced the cost of freighting goods to the more northerly posts and this, together with some influx of "free traders", reduced the cost and increased the variety of trade goods.

However, the general impact of these developments was slight. The, by now well established traditional cycle of life during this fur and mission era continued essentially unchanged, little modified by these or other developments. The slowness of basic change is further suggested by the fact that there were fewer than 150 white people in all of the Northwest Territories as recently as 1901. It was not until 1903 that the Northwest Territorial Mounted Police began to make patrols in the Territories.

While Treaty Number 8 was signed with the Indians living to the south of Great Slave Lake in 1899 --

THE COMMISSIONER: Excuse me Dr. Hobart. Just a point of no great significance, but the Northwest Territorial Mounted Police -- is that an offshoot of the R.C.M.P. or are you referring to the old name of the R.C.M.P.?

A That's the old name of the R.C.M.P. I believe I'm correct at that point.

Q Right.

A While Treaty Number 8 was signed with the Indians living to the south of Great

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1 Slave Lake in 1899, this development too was relatively
2 inconsequential. The benefits that the Indians received
3 under this treaty: fish hooks, twine, ammunition,
4 medicines, cash,; were minimal and had insignificant
5 effects on the people's way of life. Although the
6 treaty provided for reserves, this provision has not
7 been implemented except at Hay River. Perhaps the
8 only effect of the treaty was that since it was seen
9 as a "Peace" treaty, the Indians refrained from trying
10 to obstruct the entry of whites who came in throngs at
11 the time of the Klondike Gold Rush.

12 Activity along the corridor
13 during the 1920's and '30's increased relatively slowly
14 and with only a gradual impact on the lives of the
15 native people. The first regularly scheduled airline
16 flights down the Mackenzie River began in 1929. Oil
17 was refined at Norman Wells starting in 1931. The
18 opening of the Yellowknife and Echo Bay Mines resulted
19 in a four-fold increase in barge traffic north of Fort
20 Smith in the 1930's.

21 World War II saw the beginning
22 of a number of developments which further opened up
23 the north and set in motion those processes which have
24 now resulted in the re-settlement of virtually all of
25 the population in the communities of the region. The
26 building of all-weather airstrips at a number of locations
27 down the Mackenzie Valley, in support of the Canol
28 Project, laid the foundation for the expansion of the
29 scheduled flights and for increased charter flying in
30 this area.

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1 After the war, the slump in
2 the price of furs and the rise in the price of trade
3 goods disrupted the equilibrium of the fur and mission
4 economic systems. Increased access to and information
5 about the north made more information about northern
6 native generally available in the south just at the time
7 that their situations were worsening. As a result,
8 government programs, first in the areas of health and
9 education, and then with respect to housing, were drawn
10 up and implemented. The increased attractiveness of
11 settlement life for native people, resulting from the
12 presence of nursing stations and of children in school
13 during the middle and late 1950's, was vastly increased
14 by a variety of low cost housing programs which became
15 available in the early 1960's.

16 As a result, by the end of
17 this decade, the land generally was de-populated of
18 permanent settlers and the life of the native people in
19 the north had become essentially community based,
20 although many of course continued to spend a great deal
21 of time out on the land.

22 The years since the Second
23 World War must be characterized as a time of accelerating
24 social change in the Mackenzie corridor. The minimal
25 exposure of native children to formal education in the
26 late 1940's has now given way to nearly universal
27 enrollment of children in school. This has inevitably
28 been associated with the decline in trapping and land
29 living skills and, together with settlement living,
30 has resulted in greater dependence on wage employment and

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1 unearned income.

2 If the decade of the 60's
3 can be described as a time of population re-distribution
4 and community settlement, the decade of the 70's must
5 be referred to as the age of highway travel and electron-
6 ic communication. The highway from the south had been
7 built through to Yellowknife in 1961. 1971 saw the
8 completion of the extension from Fort Providence to
9 Fort Simpson and most sections of the road have now
10 been completed to within 50 miles of Wrigley. The
11 Dempster ^{Highway} from Dawson to Fort McPherson at the south end
12 of the delta is scheduled for completion in 1977 and
13 the road from Fort McPherson to Inuvik is complete
14 except for the ferry. The Liard highway from Fort
15 Simpson to Fort Nelson is about one-third completed.

16 The Anik communication satellite
17 was launched in 1972 and five of the communities are now
18 able to receive live television broadcasts, providing
19 them with what Professor Stager described as "a window
20 in their living-rooms, looking in on the southern
21 Canadian way of life". The demographic data and the data
22 on highschool enrollments which I will present, round
23 out a picture of a region which has now entered upon a
24 stage of accelerating social change.

25 Culture. It is evident from
26 the historical review that the period of continuous
27 cultural contact has resulted in cultural change through-
28 out the area under consideration. In some areas, there
29 have been periods of intensive interaction and rapid
30 change along the Arctic coast between Herschel Island and

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1 Baillie Island during the 15 year presence of the
2 whalers about the turn of the century; more recently
3 in the vicinities of Hay River and Fort Simpson with
4 the development of Hay River as a transportation pad,
5 the opening of the Pine Point mine and the building of
6 the Yellowknife, Liard and Mackenzie River highways,
7 and throughout the region during the past five to seven
8 years with the oil exploration boom.

9 However, for most of the culture
10 contact period and across most of this region, the pace
11 of change has been much more slow but nevertheless
12 steady. I'll skip the rest of that paragraph and pick
13 up at the bottom of the page.

14 The presence of "free traders" and
15 competition with the Hudson's Bay Company after 1901
16 and the increased variety of trade goods which they
17 offered broadened the cultural impact.

18 (QUALIFICATION AND EVIDENCE OF DR. CHARLES HOBART
19 MARKED EXHIBIT 542)
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The high prices that furs commanded during the 1920s and to a lesser extent during the 1930s tended to further accelerate this acculturation process, although the Dene throughout most of the region were not as responsive to the new opportunities which became available, as were the Inuit in the north. However, the opening of the mines in Yellowknife in the '30s and the building of the air strip, the Canol Road, the pipeline in the 1940s, had further impacts. Thus when the economic disruptions caused by falling fur prices and rising trade good prices at the end of World War II were added to the increased availability of health care, schooling, and somewhat later, low-cost housing, the people moved into the settlements, as I've noted. The old way of life of the fur and mission period was ended.

In the Inuvik hearing I introduced the Honigmann's concept of frontier culture and assuming that that is remembered, I think I'll skip over that paragraph.

There are a number of centres south of the delta which must be seen as spawning grounds of local variations of this frontier culture. Fort Simpson, Hay River and more recently Yellowknife and Norman Wells, as well as Aklavik in the delta itself. These settlements have been the crucibles in which Indians and Metis have interacted with Euro-Canadian traders, prospectors, miners, sailors, construction crews, casual adventurers, and missionaries.

The frontier culture emerged

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1 locally and regionally as a product of this inter-
2 action; from these centres it was inevitably carried
3 to outlying native camps. It is now generally character-
4 istic of the smaller predominantly native settlements
5 of the region, as well as of the old town portions of
6 Hay River, Yellowknife, and Fort Simpson.

7 In the smaller native settlements
8 -- I'll skip over that paragraph, I think, and beginning
9 at the bottom of page 12 then, after 1950, the period
10 of planned development began in earnest. A multitude of
11 government programs followed. The number of Federal
12 Government employees working in the Territories increased
13 eightfold to about 1,200 in the 15 years preceding 1967.
14 School attendance increased about tenfold, to 90% of
15 those eligible during the same period. The implicit
16 goal of the first 20 years of this period of planned
17 development, from about 1950 to about 1970, was to
18 impose southern values on the native people of the
19 Territories, undercutting many aspects of their own
20 culture. It is most obviously seen in the approach to
21 education, but it was also seen in the approach to law
22 and justice where, by contrast with Greenland, there
23 was little attempt to extensively temper Canadian law
24 and legal penalties in order to reduce their disparities
25 with native tradition. It was also seen in the approaches
26 of Northern Service officers, of settlement managers, and
27 of the many specialized personnel who were sent in typi-
28 cally with little, if any, orientation to the significance
29 and effectiveness of the ways of the people they
30 would be dealing with. The power of these men in eliciting

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or blocking proposals for government grants and government projects, together with their obvious relative wealth, and the similar wealth of most whites whom natives encountered, could not but reduce the native appreciation of things native, and vastly and often unrealistically enhance their appreciation of things white.

The resulting precipitous acculturation is seen in the tendency of most natives in the Territory to discard native canoes and kayaks, tools of native design of many kinds, and dog teams in some areas, long before comparably situated native peoples in Alaska and Greenland did so. It must be noted that the period of intensive contact with whites was typically as long or longer for the Greenland and Alaskan natives than it was in the case of native peoples in the Northwest Territories. However, the contact among the former was not as massively destructive of the appreciation for things native as it has been among the Canadian Inuit and Dene.

A further consequence of these same influences, together with the decreasing economic attractiveness of living on the land, is seen in a certain ambivalence among many native people toward both the settlement and the bush. The trading post and its offspring, the settlement or town, has always been white man's country, and accordingly both attractive and repellent. The attractions were the goods, the comforts, the stimulations of settlement-centred festivity and liquor. At the same time there were imperfectly understood threats and dangers associated

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with the white man's law and police officials, the quick loss of hard-earned money, and the threats to pride and self-esteem that were often experienced at the hands of insensitive or prejudiced whites.

Similarly, the bush is attractive because it is symbolic of a well-known and well-liked traditional way of life, exploiting a familiar terrain for known fur, meat and fish resources in the company of well-known and non-threatening companions. It's also attractive as a haven from the more enervating aspects of settlement life. However, by contrast with the current ease of life in the settlement, life in the bush for many months of the year is harsh, comfortless and especially for the less well-initiated, distinctly dangerous at times. The returns from trapping for all but the last few of the post-war years, have generally been very slim and never very dependable. Thus it is inevitable that for many, wage employment must be more attractive than trapping as a source of livelihood. I shall return to this topic in the economics section later.

The years since about 1969 or 1970 have seen at least a formal commitment to a new approach which might be termed a partnership developmental approach, involving a partnership between northern natives and the essential white government. Examples of this new approach are many. The willingness of the Federal Government to fund the organizational and operational expenses of the various native peoples' organizations; the project developing northern relevant

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1 curriculum materials in the Territorial Department of
2 Education, begun under Mr. Paul Robinson; the consulta-
3 tions which are mandatory with Settlement Councils before
4 oil and mineral explorations can begin in the vicinity
5 of a settlement; the discussions which Gulf Oil Canada
6 had with the Settlement Council and the people of
7 Coppermine prior to the initiation of their Coppermine
8 employment program; the periodic discussions which Imper-
9 ial Oil now has with the Tuktoyaktuk Settlement Council
10 in regard to the operation of their base camp at Tuktoy-
11 atkuk. The community hearings which this Commission
12 has been holding in communities in the proposed corridor
13 area provide another example. To what degree this
14 partnership approach will turn out to be profoundly
15 consequential, or to what extent it will turn out to be
16 a series of token examples remains to be seen. Cases of
17 both can be cited at this time. Some charge that con-
18 sultations with Settlement Councils have little more
19 than token significance. The community hearings of this
20 Commission have undoubtedly been very consequential.

Unfortunately, the partnership approach comes on the heels of two decades of an approach emphasizing acculturation. The result is that in many cases the native leaders who are being involved in partnership contexts are themselves the product of "whitewashing" treatment in schools and other white dominated northern context. The consequence of this treatment is the ambivalence noted earlier toward many aspects of the white way of life which are attractive and desirable in some ways, but unattractive and

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undesirable in other ways.

What the long-lasting consequences of this new stage will be, only time can tell. However, we can be very sure at this time that one consequence is definitely a new and much more prideful sense of native identity, and a new sense of purpose and of determination to achieve goals which have been set.

Demographic aspects. This section was covered in some detail during my testimony in Inuvik, since I am primarily dependent on data for the whole of the Territory there is little that I can add that is specific on a sub-regional level. Accordingly I will simply reiterate briefly the essential conclusions, adding just a bit of detail.

Data for the past 50 years clearly indicate a rapid increase in the total population of the Territory -- almost a threefold increase between 1921 and 1951. The native population also increased rapidly despite the high disease rates which persisted, to a diminishing extent, through the 1960s. The Indian population increased by 85% between 1921 and 1971, while the Inuit population increased by no less than 250%. I am confident that the explanation for the large differential between these two groups is that many Indians moved into the other category through non-status Indian paternity or renunciation of treaty status. It should be emphasized that no such alternative classification existed for the Inuit . Among the latter, children of non-Inuit fathers typically

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acquired disk numbers and counted as Inuit.

The other population, so-called, including Metis, non-status Indians and whites, showed an expected or normal rate of increase between 1921 and 1931, but then increased by over 150% between 1931 and 1941, probably in considerable part because of the immigration of whites. It was during this decade that the Yellowknife and Echo Bay Mines were opened. Between 1941 and 1951 the other population doubled, no doubt reflecting continuing white immigration, and in the following decade it almost doubled again. Between 1961 and 1971 the decade during which the Territorial capital was moved to Yellowknife, the "other" population increased by 6,000, a 60% increase.

When I enquired of the Metis Association, I was told that they are currently unable to provide an exact figure for the total number of Metis and non-status Indians in the Territory, but they estimate that there are about 10,000. They are currently involved in making a demographic survey and expect the results of that survey to be available shortly.

Their estimate seems plausible if one assumes that about 60% of the 853 others enumerated in 1921 were Metis and non-status Indians, and that the rate of increase of these people, together with the Treaty Indians were slightly lower than that of the Inuit in the following century, then there should be between 9,000 and 10,000 more Indian Origins people in the Territory than the 7,180 status

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1 Indians reported in the 1971 census. In other words,
2 one might expect there to be a total of about 16,000 to
3 17,000. Although the data do show that the Inuit have
4 had higher birth rates than Indian, and the other have
5 had the lowest of all, the infant mortality of rates
6 for these groups have shown the same pattern.

7 In 1960 the Inuit infant
8 death rate was twice the Indian rate. Thus the dispari-
9 ties between the number of surviving infants per 1,000
10 population were reduced between these groups.

11 THE COMMISSIONER: Excuse me,
12 Dr. Hobart, Mr. Bell, this is a significant subject,
13 and I hope that before you close your case on behalf
14 of the Metis Association you'll let us know whatever
15 there is to be gleaned from this survey that the
16 Association is carrying out, because as you know, one
17 of the difficulties that the Inquiry has encountered
18 with the Territorial Government, it's a difficulty the
19 Territorial Government has encountered, let me put it
20 that way, is in this very problem. How many people are
21 of Indian blood, whether they happen to be registered
22 or not? So you might, if you haven't already done so,
23 just look into that and make sure that we get the
24 benefit of it. I assume that the Association would
25 want us to have the benefit of it.
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27
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29
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1 MR. BELL: Yes sir, the
2 survey is still going on and I'm not sure at what stage
3 of completion it's reached yet, but I'll make inquiries
4 and report back.

5 THE COMMISSIONER: At the
6 very least, you might show the people doing the survey
7 the reasoning of Dr. Hobart and see if they have any
8 comment on it, even if by the time the evidence is all
9 in at the Inquiry they haven't finished the survey, at
10 any rate, carry on sir.

11 A Thank you.

12 MR. SCOTT: Would this be
13 a good time for the break rather than to break into
14 Dr. Hobart again at a later stage?

15 A It might be better if
16 I came to the end of the demographic section and then--
17 that goes on for about two or three pages yet.

18 THE COMMISSIONER: Fine.

19 A Is that acceptable?

20 THE COMMISSIONER: Fine.

21 A The birthrate statistics
22 in the Northwest Territories, as a whole, demonstrates
23 a cyclic pattern. They show a rise from a low of about
24 20 live births per 1,000 population in 1931, which
25 increased by 1947 to about 40 per 1,000 and peaked at
26 almost 50 per 1,000 during the years 1960 to 1964. That
27 50 per 1,000 is a phenomenally high birth rate, you may
28 know. I've seen statements which said that that time
29 the Inuit population of Canada had perhaps the highest
30 reproduction potential of any group in the world.

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1 The birth rate declined thereafter to 40 per 1,000 in
2 1970 and 27.8 per 1,000 in 1974 and that's the most
3 recent statistic available, and --

4 THE COMMISSIONER: Just -- I
5 think that you went into this in Inuvik, but just to
6 refresh my memory, how does that latter figure compare
7 with the Canadian figure?

8 A It's more than twice.
9 The Canadian is down to about 10 point something or
10 other now, if I'm recalling correctly.

11 The detailed birth rate
12 statistics by ethnic group show the delta Inuit have
13 lower birth rates than do their fellows in the other
14 Arctic coastal settlements. A parallel contrast existed
15 in 1974 between the delta and the southern Mackenzie
16 Dene. Statistics also show that during the period from
17 1970 to 1974 the "other" group has changed from the
18 group with the lowest to the group with the highest
19 birth rate. This is explained by the fact that a
20 substantial portion of this group is the white component
21 which is heavily composed of young couples having the
22 highest reproductive potential.

23 These data would seem to call
24 into question how long native people will continue to
25 be in the majority, that is in the Northwest Territories.
26 If we make the probably conservative assumption that
27 about 8,200 or half of the 1974 "other" population is
28 Metis, the native people comprised 78 percent of the
29 population in that year, 1974. The birth rate of the
30 native people in the Territories declined by approximately

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1 45 percent between 1968 and 1974, while the birth rate
2 of the "others" has fallen by no more than 10 percent.
3 Indeed, if we had accurate birth rate figures for the
4 white component, with the Metis and non-status Indian
5 component removed, the white rate would probably show
6 an increase. In fact, the increase in white birth rates
7 relative to that of native people may have little effect
8 on the ethnic composition of the Territorial population.
9 Since many of the young whites are in the early stages
10 of their work in professional careers, promotion
11 probably will mean movement out of the Northwest
12 Territories for many of them. However, with the climb
13 in birth rates the native people will be less able to
14 match through net reproduction, the increase in the
15 white population that takes place through in-migration.

16 THE COMMISSIONER: Excuse
17 me, Dr. Hobart, I think I know what you meant, but I
18 must say that I'm not sure. You say, in fact the increase
19 in the white birth rate, relative to the increase in
20 the birth rate of the native people, the white birth
21 rate being higher, may nevertheless have little effect
22 on the ethnic composition of the Territorial population.
23 Then, you state your reason for that --

24 A Yes.

25 THE COMMISSIONER: -- and you
26 say, since many of the young whites are in the early
27 stages of their work, etc., etc., they'll likely move
28 away. However, with declining birth rates the native
29 people will be less able to match, through net repro-
30 duction, the increase in the white population that takes

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place through -- I see -- in-migration. That's right.

A I'm talking about two
sources of white increase, reproduction and in-migration.

THE COMMISSIONER: Right,
sorry.

A Of more immediate relevance
is the fact that, as a result of the high native birth
rate since World War II, unusually large numbers of
native young people have begun entering the job market.
Those born during the peak period are now 10 to 15 years
of age. Not only will these baby-boom young people
continue to enter the job market in large numbers for
the next 20 years, but as they become parents, they
will produce their own bumper crop of babies. Even
though the birth rate continues to decline, these large
numbers of people will be in their most reproductive
years. This is a far cry from the situation during the
1950's when no less than 10 percent of the total
Canadian Inuit population were in tuberculosis
sanatoria, with corresponding handicapping of the ability
of that population to reproduce itself. The availability
of respectable, meaningful, gainful employment for
this young and rapidly growing population must be a
matter of very great concern, and that might be a place
to stop.

THE COMMISSIONER: Excuse
me, Dr. Hobart, you're saying that during that phenomenal
period of reproduction in the early '60's that the
children born then, will, in -- by the early '80's, be
themselves producing families so that the rate of native

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1 births, which has been declining may very well accelerate
4 again then.

6 A Yes.

8 THE COMMISSIONER: Is that it?

10 A Let me try to clarify it,
11 if I may. I'm essentially talking about parental pools
12 here. The pool of parents that produced the babies of
13 the '60's was a relatively small pool, but they pro-
14 duced a large offspring component.

16 THE COMMISSIONER: Yes.

18 A When that offspring
19 component itself becomes a parent pool, they will
20 produce many babies, even though the babies per family
21 is not all that high.

23 THE COMMISSIONER: Right.

25 A So that the birth rate
26 will not go up, but the absolute number of babies pro-
27 duced will go up because of the number of parents who
28 are in the active reproductive period.

30 THE COMMISSIONER: Right, I'm
31 with you. One question before you -- we adjourn, one
32 of the things that you find in the communities, the
33 hearings there is that that the native people say to
34 the Inquiry, look, we live here all of our lives, the
35 white people who come here, the white people that
36 are born here often do not remain very long, is there
37 any -- are there any figures that you're aware of, any
38 charts, any tables, has anyone done a survey, either
39 relating to those people in government service or in the
40 mining industry or in the oil and gas industry, indicating

1 the average length of residence in the Northwest
2 Territories, for the government and for the people in
3 those three industries? I -- it's -- you've pointed
4 out that the Metis Association is finally giving us some
5 information on that category called "other", well, it
6 would be useful if we had some information on that
7 whole question. How long the people stay here, because
8 when the western plains were settled, they were settled
9 by people who were going to be agriculturalists.

10 A Right.

11 THE COMMISSIONER: They settled,
12 they were settlers in the sense in which you and I
13 understand that expression, but the argument has been
14 put before me in the communities that the people who
15 come here are not settlers, they are transients. Now,
16 that's not a word that you or I would have chosen to
17 describe them, having regard to our own backgrounds,
18 but it connotes a limited term of residence. At any
19 rate, you might ponder that over coffee and offer any
20 comment you wish when we've had our coffee.

21 (PROCEEDINGS ADJOURNED FOR A FEW MINUTES)
22
23
24
25
26
27
28
29
30

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(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. SCOTT: All right Dr.
Hobart. Anytime you are ready.

A Mr. Commissioner,
in response to your question, I don't know of any
survey that has been done of the sorts that you've
mentioned which has attempted to inventory how long
people have been or are expect to be. I had occasion
to do some research myself. This was about five years
ago now. I was interested in how long teachers remained
where they had been. In this survey then of teachers
in Arctic coastal settlements, 60% of the teachers had
been there less than two years. So that the turnover
rates there were high.

Now, I know that they've fallen
off since then because teaching jobs have been more
difficult to get. So, northern teaching positions have
seemed more attractive. But, well, in terms of people
I happen to know, I can only think of -- oh -- five to
ten couples who I know are really putting their roots
down. But even in cases like that, I think, there is
no indication that their children are necessarily going
to stay in the north because -- well -- the phenomena
in the south of children leaving the smaller towns and
villages and going into the large metropole may well be
exemplified among the children of white couples who
establish really permanent residence in the Territories.

So O.K., beginning the next
section -- social aspects then -- In this section, I
shall try to present an overview of the nature of the

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1 interpersonal relationships of Euro-Canadians and
2 native people in the corridor under consideration. The
3 most relevant concepts in this discussion are native
4 autonomy versus submissiveness and dependency on whites,
5 the intrinsic value of native lore, crafts and skills,
6 and prejudice and discrimination; topics that I discussed
7 in my presentation in Inuvik. I am confident that
8 virtually all that I said there in respect of the delta,
9 applies to the rest of the Mackenzie corridor as well.

10 Generally, the post-contact
11 history of native people in the Mackenzie Basin has been
12 a history of growing dependency on whites. During the
13 early trading period, although native people became
14 dependent on traders for continuing supplies of utilitar-
15 ian (as well as non-utilitarian) trade goods, there were
16 long periods when they were out on the land where they
17 were relatively autonomous. I think I could well scratch
18 the word "relatively". Where they simple were autonomous.

19 During the Fur and Mission Period,
20 their dependence on goods from the south increased.
21 However, many had the wealth, particularly during the
22 1920's and '30's to command these goods in comfortable
23 supply, and while the fur market remained high, many of
24 the trappers were "masters of their fate". But the
25 early Period of Planned Development witnessed a rather
26 sharp reversal as many became dependent on government for
27 welfare money during at least part of the year for housing,
28 for services, and often for jobs as well.

29 The steady and increasingly
30 rapid erosion of the value of native lore, crafts and

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1 skills that I described in Inuvik is characteristic of
2 the central and upper Mackenzie region as well. While
3 early contact with whites sustained the value of the
4 native lore and the skills which permitted travel and
5 survival, often in comfort, today Arctic mechanized
6 technology and increased dependence on air travel, have
7 made traditional survival lore and skills increasingly
8 irrelevant. The result has been the massive devaluation
9 of things native and of more traditional aspects of native
10 life which was remarked by Van Stone among the Indians
11 around Snowdrift, and by Clairmont among the young natives
12 of Aklavik and Inuvik 15 years ago.

13 This process lead inevitably
14 to a loss of respect or worthiness by the native people,
15 both in the eyes of whites and in their own eyes. The
16 building of new towns at Hay River, Yellowknife, Inuvik
17 has intensified this process. When whites first came
18 to the north, there was a basic similarity in the living
19 and survival patterns of everyone in the same community.
20 As I noted in Inuvik, in the "old towns" the "honey
21 bucket" was the great equalizer.

22 Today in some areas, and Inuvik
23 is perhaps the most flagrant example, the shift from
24 the old town to the new town has been associated with
25 a shift from integration to considerable segregation,
26 from acquaintance and acceptance to lack of contact and
27 prejudice, from informal to formal relationships between
28 natives and whites. However, somewhat different patterns
29 are found in other towns in the Territories. In Hay
30 River, there are the effectively segregated West Channel

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1 and Indian reserve communities, self-segregated in the
2 latter case. But there is also the low cost housing
3 development locally referred to as "Disneyland" where
4 native people are integrated with whites. Here in
5 Yellowknife, native people are found in the low-cost
6 housing which is widely scattered throughout the town.

7 I spoke in Inuvik of the
8 contrast between the trader's vested interest in
9 native competence and the vested interest of government
10 officials with "client serving" responsibilities in
11 the incompetence and dependency of natives and of the
12 biased perceptions of natives that officials are prone
13 to acquire. According to Parsons research in segregated
14 communities and de facto segregated work situations,
15 whites tend to share and reinforce these attitudes in
16 each other and natives must increasingly experience the
17 effects of this process.

18 THE COMMISSIONER: Excuse me,
19 Dr. Hobart. Just -- did you discuss Parsons research
20 at Inuvik?

21 A I --

22 Q You did?

23 A I alluded to it and I
24 think -- shall I simply elaborate to say that --

25 Q Yes.

26 A -- he did a questionnaire
27 study among other things, and what he showed was that
28 longer term residents and higher status white residents
29 tended to be more prejudiced, according to the instrument
30 that he was using, than the shorter term and lower status

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1 residents. The reason was that those who were there
2 longer and had higher status had more of a vested
3 interest in natives as clients as people needing
4 professional help.

5 Q Was that a study carried
6 out in Inuvik?

7 A In Inuvik, yes.

8 Q When?

9 A About 1964 or '65.

10 Q Was Parsons with the
11 government, or --

12 A This was a study done
13 for DIAND. I think he was a DIAND employee at the
14 time, yes. Let's see. His study was published in
15 1970, but the data were from the '60's. It may have
16 been '66 or '67. It was the mid-sixties, approximately.

17 Q Right.

18 A O.K., let me find my --

19 Q To the extent ...

20 A To the extent that new
21 towns became more segregated, they tend to become
22 centers of this "infection" which is communicated most
23 consequentially to natives and to a lesser extent to whites
24 visiting the larger new towns from the smaller settlements.
25 Only increased collegial and co-worker relations
26 will set in motion counter-influences of mutual under-
27 standing, appreciation and respect. Fortunately, the
28 fact that there are some signs of emergence of a
29 partnership association between native and white people
30 suggests that the pendulum is now swinging in the other

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1 direction.

2 Economic aspects. The data I
3 want to present in this section deals with what is
4 known about family income in the Mackenzie corridor.
5 I shall not enter into any technicalities of economic
6 analysis.

7 The period that is of particular
8 interest to us, is the period since World War II.
9 Prior to that, the dual economy of the native people
10 involving dependence on the land for subsistence and
11 on the trader for the tools to harvest the resources
12 of the land, worked pretty well and some natives became
13 quite affluent. But this collapsed after the War, as
14 fur values dropped and the prices of goods rose. The
15 resulting generally hard times were only brought to an
16 end by increased employment opportunities in the late
17 1960's, triggered primarily by rapid expansion of oil
18 exploration activities.

19 The analyses of the income data
20 from the 1969 and 1970 Canada Manpower Study in the
21 Northwest Territories published by John Palmer and C. Y.
22 Kuo, and the relevant data from the Gemini North field
23 surveys provide the best sources for family and per
24 capita income in the region, despite the fact that the
25 Territorial Manpower Survey data are now somewhat out-
26 dated. The latter also has some limitations in terms of
27 incompleteness of the survey data for some groups.
28 Dr. Kuo reports that survey returns were obtained from
29 96% of the Inuit, 73% of the Indians and 62% of the
30 Metis and whites (combined) in the Mackenzie District.

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1 The advantage of the data is that mean per capita income
2 can be calculated by ethnic category. Thus, the mean
3 per capita income for Inuit in the Mackenzie District
4 was \$840, for Indians, it was \$667, for Metis it was
5 \$1,147 and, for whites, it was \$3,545; that's in 1969.

6 Both the Territorial and
7 Manpower Survey and the Gemini field surveys reflect
8 very heavy dependence on income from government sources
9 in most northern communities. Thus, income from govern-
10 ment employment exceeded 50% of the total community
11 income in Fort Simpson, Wrigley, Fort Norman and Inuvik.
12 It exceeded 40% in eight of the 14 settlements and it
13 was less than 20% in only three communities; Fort
14 Providence, Norman Wells and Arctic Red River. Transfer
15 payments accounted for about 1/3 or more of the community
16 income in Fort Providence and Jean Marie River. Only
17 in four communities did transfer payments comprise less
18 than 10% of the total: Hay River, Wrigley, Norman Wells
19 and Inuvik. Transfer payments and --

20 Q Transfer payments -- that's
21 welfare and pensions?

22 A Well -- welfare, pensions,
23 child allowance, that would be a broad category.

24 Q Those three are main
25 ones?

26 A They are the main ones,
27 yes. They draw a distinction between social assistance
28 and -- what do they call the other? Welfare, in any
29 case. But those comprise them, yes.

Transfer payments and government

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employment income jointly account for more than half of the community income in all but two communities: Norman Wells, where it accounts for only 6% and Arctic Red River where it accounts for 30% as noted earlier.

Examination of data on mean family incomes from all sources, from the Territorial Manpower Survey, indicates that in 2/3 of the communities, at least 40% of the families earned less than \$2,000. Again, that's in 1969. In Fort Providence and Jean-Marie River, this proportion was more than 65%. Only in the three heavily white communities: Hay River, Norman Wells and Inuvik were fewer than 1/3 of the families in this low income category.

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1 Data on native mean per capita
2 earned income for 1969-70 from the Territorial Manpower
3 Survey shows that --

4 THE COMMISSIONER: Excuse me,
5 sorry to interrupt, but is Yellowknife in this?

6 A No, I did not include
7 Yellowknife because it's outside of the corridor basically.

8 Q So that's why it isn't
9 in this list 3 at the top of 26.

10 A Right.

11 Data on native mean per
12 capital earned income for 1969-70 from the Territorial
13 Manpower Survey shows that half of the communities
14 had per capita earnings of less than \$700, and three had
15 no more than \$500. Four communities had such earnings
16 in excess of \$900; Fort Simpson, Arctic Red River,
17 Inuvik and Aklavik. In general, the data indicates
18 that in terms of earned per capita income the native
19 population was best provided for in the delta and in the
20 two largest settlements in the south, Hay River and Fort
21 Simpson, while the two poorest communities were Jean-
22 Marie River and Fort Providence. All of the native
23 communities between Fort Providence and Fort McPherson,
24 with the exception of Fort Simpson and Arctic Red River,
25 were distinctly impoverished according to these data.

26 It's interesting to note that
27 a comparison of these 1969-70 results with the Gemini
28 North data for '73, suggests that the relative per
29 capita income situation in the communities has not
30 changed very much. Generally, the low income communities

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1 in 1969-70 still had low incomes in 1973.

4 Indication of the size of the
3 contribution from exploration employment to community
4 income is provided by data on employment of northerners
5 in hydrocarbon exploration during the 1971-72, 1972-73,
6 1973-74, and 1974-75 employment seasons, as compiled
7 by the Petroleum Industry Committee on employment of
8 northern residents. Again it's not possible to differen-
9 tiate between native northerners and white northerners,
10 but the white northerners constitute a very small
11 proportion, I think that can be confidently asserted on
12 the basis of looking at the employment category, that
13 is the categories of the workers which are listed in
14 those reports.

15 Since most of this employment
16 has been centered in the Mackenzie Delta, the farther
17 south you go the smaller the numbers of people who have
18 been employed in this work. However, the average earnings
19 per job tend to be fairly comparable in the delta and
20 the middle Mackenzie area.

21 Generally these data show that
22 exploration employment has made a substantial input into
23 the income of many families in the delta area. The
24 input into the settlements to the south, while less, is
25 certainly not insignificant. During the 1972-73 and 1974-
26 75 seasons, almost a quarter of a million dollars
27 flowed into the middle Mackenzie settlements; those are
28 the settlements including Fort Wrigley on the south and
29 as far north as Fort Good Hope, not counting Fort McPherson
30 That is it includes Wrigley and Fort Norman, Fort Good

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Hope and Fort Franklin, and Norman Wells, I should say. During the 1972-73 and 1974-75 seasons, almost a quarter of a million dollars flowed into the middle Mackenzie settlements, and the average earnings per job in this area have risen from \$2,000 in the first season to about \$3,000 during the 1974-75 season. IN all, during the latter season, that is 1974-75, the most recent for which data are available, 553 men from the communities along the Mackenzie corridor earned a total of almost \$2 million.

Relevant also to the economic situation in the corridor is the occupational structure of the area. Data are available from the 1961 and 1971 Canada census figures from the Territorial Manpower Survey and from the Gemini North field surveys. The latter two appear to be the more reliable, because of the inability to separate out white respondents in the census data, and the use of a random rounding procedure introduced to protect anonymity, which makes the data for small samples unreliable. That's in the census.

The main points to be noted with respect to the census data are the declines in trapping and the increase in the proportions of male respondents not stating an occupation. The data for trappers show a decline for the whole Mackenzie corridor from 17% for 1961 to 4.4% in 1971, and declines for the delta, the middle and the upper Mackenzie areas of from 5.9 to 4.2%, from 57.4 to 3.2%, and from 17.7 to 4.9% respectively. The proportion of white respondents not stating an occupation increased by 13% in the whole

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1 of the Mackenzie corridor under consideration, and
2 in the delta, the middle and the upper Mackenzie
3 respectively by 17.7, 17.1 and 8.1% respectively.

4 I suspect that the increases
5 in proportions of men not stating an occupation reflect
6 in addition to interviewer effect, the increased con-
7 fusion of two groups in 1971. Older men who, when living
8 out on the land, had been used to one pattern of hunting
9 and trapping life in a sense may not have known what
10 their occupation was under the changed conditions of
11 settlement life, given the limited employment opportun-
12 ities. Secondly, there was the uncertainty of young
13 men who lacked any very consistent occupational pattern.

14 The DIAND Territorial Manpower
15 Survey permits identification of the occupations of the
16 native residents of the corridor area. According to these
17 data, the proportion of trappers in the male labor force
18 in the delta was 17%, in the middle Mackenzie it was
19 17%, in the upper Mackenzie it was 22%, and in the
20 corridor as a whole it was 18%. Allowing for the fact
21 that these percentages refer to exclusively native
22 groups, they are still unquestionably higher than the
23 1971 census data, and may reflect rounding errors in the
24 latter as well as the lower proportions of respondents
25 not stating an occupation in the Manpower survey.

26 THE COMMISSIONER: Excuse me,
27 Dr. Hobart. You've got a lot of information in here
28 densely packed, and that's why I'm taking the liberty
29 of interrupting you when I'm not quite keeping up.

30 A Sure.

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1 Q But these figures are
2 quite different --

3 A Yes.

4 Q -- the Manpower survey
5 has the portion of trappers in the male labor force
6 at five and six times what the census has it, and yet
7 both are taken about the same time, 1970-71.

8 A The Territorial Manpower
9 were taken in '69-70, and the census was taken in '71,
10 so there is an 18-month interval approximately. But --

11 Q That hardly accounts for
12 --

13 A No, it certainly does
14 not. The instructions given the interviewers must
15 have been different. All we can do is speculate about
16 what the reasons were for the differences in pattern.
17 It would appear that the 1971 census takers were much
18 more willing to accept no occupation stated as a
19 response, than were the Territorial Manpower people.

20 I might mention, as I do at
21 the end of the presentation, that I have tables to
22 back up virtually all of this. I've got copies of
23 them here. There's a table relevant to just those
24 comparisons and if -- well, if it would help you to
25 have them --

26 Q Well, excuse me, no,
27 I'm -- what happened was two different sets of people,
28 I assume they were two different sets of people, went
29 out and got quite different answers. Right, well
30 carry on. I just wanted to make sure that --

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1 A Allowing for the fact that
2 these percentages refer to exclusively native groups,
3 they are still unquestionably higher than the 1971 cen-
4 sus, and may reflect^{rounding} errors in the latter as
5 well as lower proportions of respondents not stating an
6 occupation in the Manpower survey.

7 The occupational data from the
8 Gemini field surveys were not presented in terms of
9 occupational self-identifications of the respondents, but
10 rather in terms of the man years devoted by employable
11 native men to each type of employment situation in the
12 communities surveyed. According to these data, in the
13 delta only 1.5% of the total man years of native male
14 employment in 1972 were devoted to trapping; For the
15 middle Mackenzie this figure was 13.1%, and for the
16 upper Mackenzie it was 1.5%. For the whole of the
17 Mackenzie corridor, Gemini estimated that 1.7% of the
18 total native male employment activity was devoted to
19 trapping.

20 These figures no doubt
21 reflect some under-enumeration of trapping, that is
22 the Gemini figures (no trapping at all was recorded for
23 Fort Providence or Fort Franklin in the Gemini survey,
24 and that Fort Franklin omission is absolutely incredible
25 that cannot be the fact, obviously), as well as the
26 fact that there was substantial oil exploration employ-
27 ment during the year in question, 1972. However, to the
28 extent that they are at all representative of trapping
29 activity
30

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1 in the region, they suggest that quantitatively trapping
2 is not of great significance, although qualitatively
3 and symbolically I think it's quite another matter.

4 THE COMMISSIONER: Excuse me,
5 Dr. Hobart. When Gemini North did this survey, I
6 read their four volumes before these hearings began,
7 and I'm sure the distinction wasn't one that occurred
8 to me then, but what were they driving at? Were they
9 saying, "Well, how much of your time, sir, do you go
10 out and spend trying to trap fur-bearers, where you
11 intend to sell the furs for money?"

12 Now that's one thing. If they
13 were asking or if they -- had they sorted it out in
14 their minds whether that was the question they were
15 asking and that was the response they wanted, or was
16 it "How much of your time do you spend out in the bush
17 hunting caribou or fishing or getting food for your
18 family?"

19 The Gemini North figures might
20 be directed to the actual trapping for income side of
21 it as opposed to getting food for one's family.

22 A As I recall, they differ -
23 entiated between trapping and subsistence hunting. Two
24 different categories.

25 Q Trapping is an income
26 proposition.

27 A Right.

28 Q Just speaking of Fort
29 Franklin before we move on, did they -- on the subsis-
30 tence hunting thing, Mr. Rushforth presented some
evidence here. Did you have a chance to read it?

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1 A I did, yes.

2 Q Now, he's
3 talking about subsistence hunting and fishing and if
4 we are to give credence to what he said, a considerable
5 proportion of the time of the men in that village must
6 have been spent in subsistence hunting, which would,
7 while it doesn't bring in income, obviously it's a
8 necessity.

9 Of earning income for
10 food.

11 Yes. Right,
12 well, at any rate, you say that we're dealing here
13 with trapping as a means of gaining income, so I'm
14 with you.

15 A Yes. In his testimony
16 before this commission, Dr. Asch argued essentially
17 that wage employment was unnecessary and pernicious,
18 and that more traditional sources of income were more
19 frequently preferred by native people and were preferable,
20 socially preferable.

21 Dr. Asch has done extensive
22 field work in the Fort Wrigley area, one of the more
23 traditional or conservative communities along the
24 Mackenzie River. That, no doubt explains the fact that
25 much of what he said concerning attitudes towards
26 trapping and wage employment is not in accord with much
27 of the published literature for the Mackenzie River
28 drainage for the past 15 and more years. In terms of
29 my reading and re-reading of this literature, almost
30 every researcher who has seriously studied the situation

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1 of native people in the north, during this period,
2 has described their increasing disinterest in trapping
3 and their increasingly expressed preference for wage
4 employment. This is true of Clairmont's reasearch in
5 Aklavik in 1961, of Van Stone's research among the
6 Snowdrift Indians in 1961, of Helm's research among
7 the Lynx Point Indians, Welsh's research in Old Crow,
8 Cohen's survey of the Indians of Fort Norman and Fort
9 McPherson, Helm's research among the Dene at Fort
10 Simpson, Fort Providence and Fort Rae, Chance's work
11 among the Winisk Cree of Ontario, Hurlbert's research
12 among the Hare Indians of Fort Good Hope and Helm and
13 Lurie's research among the Dogrib Indians of Lac La
14 Martre.

15 Van Stone noted this pattern
16 15 years ago, during his field work among the Indians
17 around Snowdrift, which was, at that time, one of the
18 more isolated, minimally acculturated areas. He wrote:

19 "Trapping is becoming increasingly unpopular
20 with Snowdrift Indians ",

21 and further:

22 "As a concluding statement on trapping, it should
23 be emphasized again that there seem to be few
24 Indians who are very enthusiastic about trapping
25 as a means of making a living. Most men feel it
26 is very difficult to make any money trapping.

27 Nearly all the informants felt that the
28 only solution to this situation was steady wage
29 employment and almost to a man, they maintained
30 they would give up trapping at once if an opportunity

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for steady employment presented itself."

More recently he wrote at a later date:

"Since the great majority of Athapaskans no longer depend exclusively on the land as a source of subsistence and have lost much of their knowledge of the environment and how to exploit it, they are rapidly approaching a condition in which they are no longer adequately equipped to live on their ancestral territories."

In the same year that Van Stone was in the field around the Snowdrift Indians, in 1961, Clairmont found very much stronger indications of the same pattern among young natives in the much more acculturated communities of Aklavik and Inuvik. He wrote of Aklavik that:

"With the exception of bush Eskimos, young native adults have no motivation for trapping. Young natives who live in the settlements do not want to assume the role of trapper."

There were similar findings from a related study in Inuvik:

"Most teenagers interviewed about trapping readily dissociated themselves from the role, professing total ignorance, when in fact, many had had much experience with trapping. They do not trap even when . . ."

Excuse me,

that last sentence, "Most teenagers interviewed", etc.,

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1 professed total ignorance, when in fact, they had
2 had much experience with trapping." Well that ties
3 in with what you said earlier of the way in which
4 an imposed value system led them to be ashamed of
5 their own traditions.

6 A M-hm.

7 Q It would
8 account for the phenomenon that is reported here, if
9 that is -- if I understand what he's driving at there.
10 So, does that -- would that account -- I've no doubt
11 that the occupational preferences indicated in these
12 -- to all these researchers are correct in that that's
13 what they told them and so on, but does it -- do you
14 remember in 1962 when Social Credit won 26 seats in
15 Quebec, when they were all expected to go Liberal and
16 surveyors were polling people who said I'm going to
17 vote Liberal, but as soon as the door closed they said,
18 I'm voting Social Credit, but they didn't think it was
19 quite creditiste, I mean, they didn't think it was
20 quite respectable to acknowledge that to a -- some
21 middle-class guy with a tie at the door.

22 A Yes.

23 Q Is that
24 the sort of thing that these people were running into?
25 You know what I'm driving at.

26 A Yes, that's a possibility
27 I grant. I don't think that was the case personally,
28 because, let's see, I was up in Inuvik in the winter
29 of 1963 and at that time there was a fair amount of
30 discussion around of young fellows and we're talking

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essentially about kids over 16, 16 to 25, something like that, who had been warned repeatedly not to wear jack-boots which were in style, that is, sort of southern black motorcycle boots, sort of, which were the in thing. They had been warned not to wear them in winter lest they freeze their feet. The argument was they should have been wearing mukluks, so-called. Well, a number of the fellows did and a few of them froze their feet, they didn't want to have on native footgear at that time. Similarly with respect to girls, the girls preferred the tailored parkas with the zipper to the old, so-called, Mother Hubbard parka with the space for the baby on back. They were warned that carrying their babies around without the protection of being under the parka risked the baby catching cold, catching an infection and again there were stories of -- as I recall, several babies who died because of the kind of exposure that resulted from the disinterest of their mothers in wearing a garb that was traditional, that was not in accord with the recent fashions.

So, for reasons of that sort, I have a feeling it was not simply again what we'd call interviewer effect, it was the fact that they had -- their heads had been turned around in a sense. Their values had been changed.

THE COMMISSIONER: Yes, I follow you.

A Let's see, starting at the top of page 32. He found the same pattern with respect to fishing and whaling. Settlement natives

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between the ages of 16 and 29 appeared to be oriented to middle class values and never to go to the fishing and whaling camps, even if no other work was available."

As the government has learned, even the possibility of fairly high remuneration has not been sufficient motivation for this group. Similarly

"The handcraft and fur garment production in the Aklavik Fur Garment Shop, largely involved older Eskimo females and did not sufficiently motivate the younger, single settlement Eskimos."

Since many of these girls were unemployed, this is best explained, Clairmont suggests, as a consequence of their "rejection of traditional activities and of their aspirations for a better style of life. Involvement in garment and handcraft work appears to represent to these females, a self-image they wish to avoid."

Clairmont concludes that these young natives reject the whole range of traditional economic activities because they are associated with "a style of life which is alien to their new set of values."

Helm concluded from her work among the Dene:

"All factors then, continue to operate to remove the Indian from the bush settlement and into the trading fort or the white focus community where opportunity for wage labour and access to white goods, services and subsidies is better."

And Welsh wrote of Old Crow:

"The people of Old Crow have moved in barely three generations from a nomadic hunting life to direct involvement in most of the advantages and ills of the 20th century. An old man who grew up in the skin lodge today listens to the radio and flies to the hospital. His sons have given up trapping and are operating power saws, outboard motors, snowmobiles and even tractors. Many of his grandchildren are leaving Old Crow altogether to seek the attractions of metropolises such as Inuvik, Whitehorse, Vancouver and Edmonton. What does the future hold for Old Crow as a community and for its people? Like other northern towns, Old Crow has a very shaky economic base. Unless fur prices go up drastically, dramatically, trapping will not be a viable way of life and unless oil is discovered in the area, the town cannot survive without massive government assistance. In such a situation, the government may very well

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1 encourage the relocation of the population.
2
3 As the years go by, even if the present
4 economic situation does not materially change,
5 the Indians will continue to become further and
6 further removed from their natural surroundings,
7 further and further removed from the bush and
8 more reliant on outside resources."

9 Since putting this together,
10 I was checking around further and there's a more --
11 there's another statement about Old Crow, that if I
12 may I'll read by way of supporting that conclusion by
13 Welsh and this is by Belikci, who is an anthropologist
14 who has done research in the north for many years. At
15 least -- well, 20 years now I believe.

16 Q When did
17 Welsh write that?

18 A That was in the mid '60's.
19 So, Belikci has published a monograph-- actually
20 published by DIAND, entitled, " Vunta Kutchin Social
21 Change". It was published in '63, the field work then
22 was done a year or two before then and he wrote:

23 "The Vunta Kutchin live in a land of
24 plenty. The natural resources of the
25 area are particularly abundant considering
26 the number of people living there and their
27 way of life. This natural wealth is particularly
28 striking when compared to conditions prevailing
29 today in many other parts of northern Canada.
30 The useful fauna include large caribou herds,
31 moose, rabbits, various fur bearers, numerous

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1 fish species and water fowl. Unlike most of
2 the areas in which Eskimos live, timber is
3 abundant and can be employed, both for construc-
4 tion and for heating.

5 Despite the amount of
6 natural wealth in the area, the Old Crow
7 economy is not of the simple subsistence
8 type and the economic values of the people
9 resemble those of money makers. Of all
10 economic activities, salary work is the most
11 highly valued. During the summer of 1961
12 numerous informants repeatedly expressed
13 their desire to become salaried employees
14 and to receive regular paycheques.

15 Old Crow is considered
16 a "bad place", because no opportunities for
17 salaried employment exist there. Frequently
18 informants plan to leave the settlement and
19 move to more prosperous places. In many
20 northern localities, the Indians are known
21 to be somewhat unsystematic and "unreliable
22 workers, incapable of holding a job long
23 enough", but this is hardly the case with
24 Old Crow people. In the summer of 1961,
25 a crew of local workers was hired to do
26 some construction work on a nursing station
27 at Old Crow. Remuneration was good and there
28 was practically no absenteeism among the
29 natives. Even when caribou herds reached
30 the area and all the unemployed people went

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1 hunting, the workers remained on their job.
2 Only one man with a large family, asked permission
3 to go on the hunt for a day. Two other men
4 who were temporarily employed at the store,
5 at a modest wage, continued to work.

6 Jealousy was shown by
7 those who wanted to replace the workers in
8 the construction yard. Concerning the prestige
9 of a worker, that is a wage worker, the following
10 example may be illustrative:

11 Mrs. L. had very little money during the past
12 winter, she looked humble and according to
13 people was very easy to get along with. Recently
14 she became the cook for a work party. Complaints
15 were heard that Mrs. L. had become high-toned,
16 refusing to associate freely with other people,
17 made display of ostentatious purchases, etc."

18 Now, reverting back to page
19 33, the middle of the page there, Hurlbert wrote of
20 the younger people in Fort Good Hope in 1961:

21 "With the influx of white population into the
22 north, during and after World War II, they,
23 the young Dene, observed an even higher
24 standard of living in which they wished to
25 participate. After the fall in fur prices,
26 the desired standard of living was impossible.
27 Today, this group looks with dissatisfaction
28 upon the bush life, which most of them are
29 forced to lead and conversely they are increasingly
30 attracted to wage employment with its possibility

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1 for a more stable income and a better standard
4 of living."
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Cohen made an anthropological survey of communities in the Mackenzie - Slave Lake region of Canada in 1960. In Fort Simpson, he found that the recent fate of building has attracted many Indians to the settlement for wage work. However, there is still a sub-stratum of hunting, fishing and trapping which underlies the local economy. Thus, many of those who are working on construction are also tending their nets in the evening and quite a number told the writer that they intended to set traps this winter. This clearly describes the dual economy in that community which Dr. Asch noted continuing evidence for in the Gemini North materials.

Cohen described Fort Norman as having:

"...a traditional economy by default. All persons spoken to wanted wage labor if possible with no reference to time off for hunting, fishing or trapping. However, opportunities in town are rare, and as we have seen, the old hunting pattern maintains its desirability so that people may even leave a job to go to the mountains. Thus people claim they want jobs and would not leave work to hunt, etc.; but in practice, they are ambivalent about it."

By contrast, in Fort Good Hope, he found:

"... the economy of the area is primarily centered in hunting, fishing and trapping. Almost all non-white households have one or more nets in the Mackenzie and this forms the major source of food in the summer diet. Women snare rabbits and now and

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1 then a moose is shot... For large game like moose,
2 traditional sharing patterns are still practiced."

3 However, in a later 1963
4 publication, Cohen concludes from his field work still
5 in Fort Good Hope that:

6 "Very few of the adult males (of Fort Good Hope)
7 have not worked at wage labor at some time during
8 their lives and only a tiny minority say they would
9 not take up wage labor if given the chance."

10 Again:

11 "As already noted, all Indians would prefer, if
12 given the choice, to work as permanent wage employees.
13 The scarcity of such jobs has so far limited their
14 distribution to those whose need is greatest and/or
15 those with the greatest degree of southern Canadian
16 education."

17 Of Fort McPherson, Cohen wrote:

18 "...the government building program in Fort Mc-
19 Pherson itself, as well as the rest of the delta,
20 has turned many people in the area towards wage
21 labor. However, this should not be taken too far.
22 Indians still hunt, fish, trap; hunting parties
23 still go out in the mountains in winter and sharing
24 patterns for the meat of large game still obtain --
25 but cash income from wage labor is regarded by
26 many as being more readily available and more
27 desirable than fur, which is, at present, thought
28 to be too low in price."

29 In his summary discussion, Cohen concludes:

30 "...jobs are not in large supply around the

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settlement towns, but when construction and/or maintenance work expands, there is no dearth of applicants. Almost everyone agrees that wage labor is, generally speaking, more attractive today than traditional economic activity. However, the insecurity of this source of income for all but a very few means that dependence on older productive techniques has not ended."

He goes on to note that:

"...an estimated 50 to 80% of the population of the settlement town areas is dependent to a large extent on hunting, fishing and trapping for their livelihood."

He continues:

"All male adults spoken to have worked for wages... All claim they like to work for wages but only a few, notably at Fort Simpson, expressed the desire to work for wages full-time. More often people say (work) 'part of the time'."

Q Now that, last paragraph constitutes Cohen's summary of the situation at Fort McPherson only, does it?

A No. That section -- turning back to page 33 at the bottom paragraph -- he made a survey of assorted communities in the Mackenzie - Slave Lake region of Canada.

Q So that's the whole of the river?

A Yes. I left out -- he talks about Rae-Edzo and Yellowknife I believe and so on

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1 Yellowknife I'm not sure. But at any rate, I included
2 those which are in the corridor here.

3 Furthermore -- this is 35 again
4 -- with respect to the subsistence portion of the dual
5 economy, an aspect which Asch emphasized heavily, Helm
6 wrote in 1963:

7 "Today the Bush Athabaskan primarily seeks furs in
8 order to obtain money to buy not only clothing and
9 general equipment, but a substantial portion of his
10 food as well."

11 They:

12 "...settle along waterways leading to the Fort
13 rather than in the richest fish, flesh and fur areas,
14 Let's see now. In my copy, there's a mix-up in pages,
15 here. Page 36 follows page 37. I don't know if yours
16 is similarly --

17 Q 37 follows 36 in mine.

18 A Oh, O,K. So, fish, flesh
19 and fur areas per se."

20 "The fall Caribou hunt of the Dogribs is today of
21 more symbolic than of economic importance."

22 She concludes:

23 "The long trend in the last 100 years or so has been
24 to abandon subsistence activities in order to procure
25 more furs for the money and market economy and to
26 retreat from areas rich in subsistence biota for
27 easier access to the Point of Trade. Only
28 government subsidies through a family allowance and
29 old age pensions as well as outright relief has
in the recent decades, allowed the Dene level of

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living to rise."

Walsh writes (as of 1968):

"Although the people of Old Crow continue to derive a fair proportion of their diet from hunting and fishing, they have become increasingly reliant on white foostuffs and material goods."

Following his survey of "White Dominant Settlements in the Canadian Northwest Territories, done in --

Q Excuse me. This is an important subject so forgive me for interrupting you. Walsh writes as of 1968 and he says:

"Although the people of Old Crow continue to derive a fair portion of their diet, they have become increasingly reliant, etc."

Well that, with respect to Walsh is virtually meaningless and an observation perhaps anyone who has been to Old Crow for overnight might well have made. I'm not criticizing you for saying it, but that's the trouble with so much of this material. I don't mean the material you're citing, but everybody's and certainly I appreciate your trying to pull this stuff together so that we get the views of all these people who've trudged up and down the valley trying to assess this for us.

Might I just say something else to you Dr. Hobart? You know, in those villages, when people hear about what is said in reports like Walsh's or somebody elses, or Usher's or Asch's or even yours I suppose, they have a tendency to say to me, "Well why are you listening to them? What about us?"

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1 We're here. We're the people who know because it's our
2 life and we're doing these things daily". I don't
3 ask you to comment on it but those people in the
4 villages, if they could see me now listening to a
5 lengthy and most helpful discussion of the views of
6 all of these researchers, might say to themselves:

7 "Well, why is Berger sitting there listening to
8 all of that when he has already been here? We've
9 all talked -- hundreds of us."

10 That's in a sense the kind of frustration that those
11 people must feel when they see us seeking to quantify,
12 assess their life, their lifestyle, their aspirations
13 as if we were cataloguing something that could be
14 catalogued.

15 Anyway, could I just interrupt
16 to say Mr. Bell that would you -- Dr. Asch is coming
17 here to be cross-examined on --

18 MR. BELL: Thursday.

19 THE COMMISSIONER: Thursday.

20 Would make sure that he reads the transcript. I guess
21 he's read this but if he hasn't make sure he reads it
22 and make sure he reads the transcript of today's
23 discussion between Dr. Hobart and myself. He could
24 perhaps comment on what Dr. Hobart has said and on some
25 of the things that have passed between Dr. Hobart and
26 myself before he is cross-examined on Thursday and
27 that might, I respectfully suggest, be a better way of
28 tackling what Dr. Hobart has said from your point of
29 view than through cross-examination.

30 If Mr. Bayly were here, I'd

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suggest --

MR. SCOTT: Dr. Asch isn't just another anthropologist and I suppose we should note that fact.

MR. BELL: I'm sure Dr. Asch would be quite willing to comment on it.

THE COMMISSIONER: Yes, I have no doubt he would be. Could I just suggest to you people that I -- someone showed me a passage on the plane here where Dr. Usher is mentioned as well and I wouldn't be surprised if he would like to get his oar in again on this but, Mr. Bayly and you might well in framing your cross-examination bear in mind that Asch will be commenting on what Dr. Hobart has said and no doubt Usher in due course. That may mean that your cross-examination needn't be lengthy on these matters.

You see, so much of this is analysis and references to scholarly works that people can argue about till the cows come home. Sometimes cross-examination doesn't get us very far on this sort of thing.

MR. BELL: I think Dr. Asch already has prepared some remarks.

THE COMMISSIONER: Well, it may well be that Dr. Hobart might still be around on Thursday if panel four is either here or in the offing and might himself want to say something about what Dr. Asch said about what he has said. I'm quite serious about that because I think I might get more out of this with that kind of interchange than through all

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the cross-examination in the world.

MR. BELL: I hope we're not getting into the caribou problem.

THE COMMISSIONER: No. Let's not.

A Well, may I just say perhaps two things. The one is that in going through this, my purpose has really been to suggest that it's very much of a mixed picture as far back as 1960 - 61. I think also I feel in my own mind at least that the great deal of interest and controversy which has sprung up with respect to the proposed pipeline cannot help but have influenced the way people think to some extent and what people say on some occasion to some extent, and so I find interesting the fact that these things were being said before any such controversy was on the horizon. But I am more than slightly sensitive to the seeming contradiction between what I am going through here and what you have heard a great deal of.

I have a comment at the end here that bears on that.

Well then, continuing on page 36, following his survey of "White Dominant Settlements in the Canadian Northwest Territories in 1962, Jacob Fried wrote that in these settlements which included Inuvik, Hay River and Yellowknife, there are two groups, the traditional who until recently were involved in hunting and trapping and the others, young men and women aged 18 to 35 years

"...who now have some schooling, know no native

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skills, and are incapable of living off the land. However, both are thoroughly committed to settlement life. Most of the younger persons appear to have already passed beyond the point of no return as far as adaptation to the older aboriginal mode of life is concerned."

Balikci found essentially the same pattern as I have read. That was the material that I read a bit ago. Writing of the "Subsistence Economy of the Dogrib Indians of Lac La Martre", based on field work done in 1959, Helm and Lurie note:

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"On the whole, the fur trade has never allowed the Northern Indian an adequate level of living by Euro-Canadian standards or by the developing desires and standards of the Indians themselves. Their consumer desires have always outstripped their various financial resources. The advent of various government allowances and in recent years the unprecedented opportunities, unpredictable though they be, for wage work have opened new consumer horizons and have permitted a certain degree of economic security, and especially have fostered the outlook that a certain consumption level and degree of security is a right."

And again in the same report they write:

"The contemporary Dogrib no more wishes to return to the skin tent and dress than he wishes to return to the birch bark canoe, if only in terms of escaping the unremitting toil of yesterday. As one old woman in her '60s put it in describing her youth,

'Before we were so very pitiful. We are just like ladies now.'

The expanding cash economy, largely through the advent of waged work and government allowances, has allowed a standard of living that precludes a return to more aboriginal conditions or even by choice, stabilization at the present living level. For this latter reason it seems unrealistic in terms of native consumer interest and

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and standards to encourage the Indian to adhere to or return to the fur trade economy and the bush life of his father's and grandfather's generation. To be a trapper only, many a bush Indian even today would have to submit to a decline in standard of living. He cannot visualize the possibility of detrimental consequences in social, familial and personal life that greater involvement in the market economy of western society may bring, but he knows full well the security and pleasures of money in hand. And this knowledge brings even the prideful hunter and master of bushcraft out of the bush to seek wage work."

Probably the most dramatic indication of the inadequacy of the traditional resources of livelihood available to many northern natives in Canada is seen in the earnest recommendations by two of the most concerned and conscientious of students and friends of northern peoples, as a solution to the situation of some of these northern native peoples. Dr. Diamond Jenness, then dean of Canadian anthropologists working in the north, who had had 40 years of northern experience, urged that the government should seriously consider relocating northern peoples into Southern Canada in 1961. And Dr. Peter Usher, who has appeared before this Commission several times, urged this same position strongly for the people of Coppermine and Holman Island in 1965 publication. After commenting on the meagre resource base and the "remarkable rate of population

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increase, Usher went on to write:

"Many Southern Canadians retain romantic and sentimental notions about the north, and the Eskimos. They feel that the Eskimos have been ruined by the white man, who introduced upon their country -- who intruded upon their country and upset their ancient way of life; and hence we are responsible for restoring to them the ability to live decently in their homeland. We do indeed have responsibilities to the Eskimos, no less than to the rest of our fellow men. However, past mistakes cannot always be rectified. There may no longer be any sound basis for the existence of the Eskimo population as a whole in the Arctic. If so, the nation would not be discharging its responsibilities by condemning the Eskimos to a miserable existence on the barren grounds. The writer believes that the old way of life is gone forever, and that it is doubtful if even the Eskimos wish to return to it. There is nothing inherently virtuous about driving a dog sled and eating sealmeat; at least no more so than driving a taxi or managing a bank. Some may regret that so unique and hardy a race should be submerged into Canadian society, but there is probably little to be gained by attempting to prevent it. The urgent problem today is to ensure that these people are not condemned to exist for generations on the margins of our society. Continued research on the problems

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of habitability and improved resource use in the north is necessary, but much more effort should be directed toward the problems of Eskimo emigration. Here is work for the geographer and the anthropologist; to find an environment in which the Eskimos can successfully become self-sufficient members of Canadian society with a minimum of hardship during resettlement."

THE COMMISSIONER: I think that that phrase,

"Here is work for the geographer and the anthropologist;"

might be the motto of the Canadian north. It's not a very charitable thing to say.

A The purpose of quoting the statement by Usher, it's not of course to argue for what he felt driven to seriously advocate at that time, but to emphasize the plight of the native people that he observed, given their dependence on the very limited renewable resources available to them. It hardly needs mentioning that the native populations are significantly larger now than when Usher wrote these words, and a generation hence they will be much larger yet.

Let me add further to -- and this is not in the prepared statement here -- there have been two economic studies done of the Mackenzie Delta, one by Don Bissett entitled:

"The Lower Mackenzie Region, an Area Economic Survey,"

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which was published in 1967, that was done under the Industrial Division of DIAND, and the other by John Rowforth, entitled:

"The Mackenzie Delta, its Economic Base and Development,"

and that was done under the Northern Co-Ordination and Research Centre of DIAND. Both of them, with respect to the Mackenzie Delta, made the same recommendation, that is they argued that the carrying power of the delta, given the settlement patterns that were emerging, were inadequate to support the native population and they both suggested then that efforts should be made to encourage young people to migrate out of the area, native young people to migrate out of the area, It's interesting that those recommendations were made with respect to, well, what is I'm sure, the most productive area in the whole Canadian Arctic with respect to renewable resources.

Returning to the text then, the purpose for reading these many passages from reports of research conducted during the past 16 years is not only to document the general disinterest in trapping as contrasted with wage employment a decade and more ago, as reported by these students at the time. It is also to emphasize that a whole generation of native young people has grown up in communities where it was apparently widely accepted that wage employment was quite preferable to trapping.

The education system. Not until the 1950s did the Federal Government really become

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involved in itself providing for the education of children in the north, and not until about 1960 did the government commit itself to providing education for all children in the Northwest Territories whose parents wanted it.

In my testimony in Inuvik I spent some time developing a critique of the educational system operating in the delta. Virtually all of that critique is relevant to the rest of the Mackenzie corridor.

It must be strongly emphasized that, as contrasted with the educational system instituted by the Danes in Greenland, the system in the Territories promoted replacement of the native cultures by white culture during the 1960s. This cultural replacement policy, which was most flagrant during the 1960s, and has since been mitigated, was seen throughout the Mackenzie corridor in four aspects of the educational process: the qualifications of the teachers, the language of instruction, the content of curriculum, and the structuring of classroom interaction.

As I noted in Inuvik, the result of this approach to education was that children who attended school for very many years, particularly residential schools, were effectively unfitted for many traditional activities in terms of skills learned, motivation, and exposure to hardship. As Clairmont's research showed, most of the young native people of Aklavik and Inuvik 15 years ago reflected the impact of this kind of education in their disinterest in

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1 traditional employment. The developments of the
2 past 15 years, as well as such occupational data as are
3 available, make it quite sure that there has been no
4 reversal of this trend since then.

5 There are unfortunately no
6 recent data on the educational attainments of residents
7 of the Mackenzie corridor, much less on the current
8 educational attainments of native residents generally.
9 Probably the most accurate data available are those
10 from the 1969 Territorial Manpower Survey, which found
11 that 38.5% of the native people in the area had
12 never attended school, 13% had completed Grades 1 to 4,
13 32.5% had completed Grades 5 to 8, and 15.5% had com-
14 pleted Grades 9 to 12. During the period 1969 to 1971,
15 there was a vast increase in the number of Inuit and
16 Indian children enrolled in schools in the Northwest
17 Territories, according to figures supplied in the Annual
18 Report of the Commissioner of the Northwest Territories.
19 There no doubt has been an equally large increase in
20 the enrollments of Metis children, although this cannot
21 be documented since data on Metis children were combined
22 with data on white children.

23 Canadian census data for
24 1961 and 1971 further substantiate the picture of
25 rapidly increasing educational attendance among native
26 children in the Northwest Territories in recent years.

27 The Boreal Institute of the
28 University of Alberta projected the number of native
29 young people in the Mackenzie area who would probably
30 receive a High School or Vocational School diploma

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between 1969 and 1984. They used as their data base the DIAND Manpower Survey of 1969, extrapolating the dropout rates inferred from these data to student behaviour for the subsequent 25 years, and I think that's a very important point to note, the fact that they extrapolated an earlier dropout rate and simply projected it with that multiplication of 25 years. The consequence of this procedure was that the pattern of high dropout rates found among native youngsters in the Northwest Territories before 1969 is projected forward, resulting as the Boreal Institute Report notes, in,

"projections probably representing a lower bound, and the actual numbers could be substantially higher."

In terms of this projection, the numbers of Mackenzie area Inuit, Indian and Metis graduates of High Schools and Vocational Schools would be expected to increase from 36 in 1969 to 51 in 1974, to 68 in 1979, to 77 in 1984. While these figures are certainly not impressive, the projection technique as indicated, was a conservative one and I would anticipate that native young people in this area will in fact graduate in distinctly larger numbers. Unfortunately, it is not possible to check on the accuracy of the 1974 projection because the Department of Education no longer compiles statistics according to ethnic categories.

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1 The cumulative picture is a
2 more impressive one, however. By 1969 there were 247
3 native graduates in technical, vocational or High
4 Schools in the Mackenzie area. Assuming that the
5 projections from 1970 to 1976 are accurate, and that
6 none of the earlier graduates died, that number will
7 double this year to 492 graduates, and in five years
8 it will increase to 720 graduates.

9 The effects of the cultural
10 replacement emphasis in education are clearly seen in
11 the findings of Smith's 1967 survey of the employment
12 interests and occupational aspirations of Indian,
13 Inuit, Metis and white students enrolled in Grades
14 7 through 12. Data are available from this survey for
15 Yellowknife and for the delta. Since I discussed the
16 finding of that survey in detail in Inuvik, I'll simply
17 reiterate the key findings. In the Inuvik presentation
18 I did not include the Yellowknife figure, needless to
19 say.

20 Smith first had his respondents
21 rank the prestige of 48 occupations commonly encountered
22 in the north. He explored the relationships between
23 the rankings of the white, Inuit, Metis and Indian
24 students and concluded that,

25 "each population (or ethnic) sub-group was
26 essentially similar to every other."

27 The differences that did exist, according to Smith,
28 were explained by the situation in the school in which
29 the pupils attended, or as he subsequently suggests,
30 the place of the school, not by the ethnicity of the

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1 student.

2 Data on the five highest and
3 five lowest ranking occupational preferences of the
4 delta and the Yellowknife respondents show that
5 generally it is the glamorous and/or skilled jobs that
6 are preferred. Data on the preferred conditions of
7 employment show that Inuit, Dene and Metis students
8 from Yellowknife and from the delta most frequently
9 said they would prefer to work in large northern
10 towns, and least frequently said they would prefer to
11 work on the land. The most preferred type of employment was the
12 large corporation mentioned by more than half of all
13 the respondents, followed by a small private
14 company. Self-employment was a rather close third.
15 Most of the respondents said they would prefer to work both
16 indoors and outdoors, and of the remainder more said
17 they would prefer indoor to outdoor work.

18 A later replication of this
19 study in other schools in the Northwest Territories yielded
20 results very similar to those found for the delta
21 and the Yellowknife samples.

22 Smith concludes:

23 "...that ethnic differentiation in Northern
24 Canada accounts for little differentiation
25 in evaluations of occupations. Rather, evaluations
26 of occupations by the various ethnic groups
27 are remarkably similar, especially where
28 representatives of the ethnic groups examined
29 come together in one place of schooling.
30 This is interpreted to mean that the culturalist

C. Hobart
In Chief

position, which assumes that ethnic groups in the north necessarily possess a residue of aboriginal cultural values and attitudes towards occupations incompatible with modern attitudes and values toward such aspects of contemporary northern life as the occupational system, can safely be rejected. This does not say that there are no cultural differences between northern ethnic groups, even with respect to occupational evaluations; simply that

(a) these cultural differences seem not to follow ethnic group boundaries but to crosscut them in significant ways and
(b) that these cultural differences seem to have little to do with aboriginal derivation and much more to do with learned responses through common experience with social structural characteristics which transcend ethnic boundaries."

Mr. Commissioner, that conclude my testimony in this overview statement. In the interests of brevity, I have refrained from including in the formal submission the various tables that I constructed in the course of preparing this testimony. However, I have brought copies of them with me and am prepared to present them and to discuss them during the course of cross-examination if requested to do so.

I am aware of the fact that a fair amount of what I have said is inconsistent with what you have heard in many of the community hearings.

C. Hobart
In Chief

1 It is apparent that I have used sources, and in
2 many cases have used the words of researchers who were
3 writing before the pipeline discussions began. I do
4 not want to be seen as contradicting the testimony of
5 those who spoke in the community hearings. Those
6 people spoke on the basis of their experience and
7 their concern, and the hearings have profited from
8 their willingness to come forward. However, I do want
9 to call attention to the fact that there are some other
10 aspects of this large and complex Mackenzie Valley
11 picture which were given little emphasis by many who
12 spoke to you at the community hearings.

13 MR. SCOTT: Mr. Commissioner,
14 I wonder if Mr. Steeves could make those tables
15 exhibits at this time so they can be reviewed by the
16 counsel?

17 MR. STEEVES: Certainly, Mr.
18 Commissioner. Sir, all of the testimony, qualifications
19 of the witnesses in Panels 1 to 3 are in one brochure.
20 May I have that marked as an exhibit? Thank you.

(TESTIMONIAL QUALIFICATIONS OF CDN. ARCTIC GAS, PHASE
IV, PANELS 1 TO 3, MARKED EXHIBIT 643)

21 THE COMMISSIONER: What time is
24 it?

25 MR. SCOTT: It's ten after
26 five, Mr. Commissioner. I wasn't thinking of the list
27 of qualifications, which is very useful and we're glad
28 to have, but rather Dr. Hobart's list of tables to
29 which he refers on page 44.

30 MR. STEEVES: I'm sorry, you

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1 didn't hear my answer, obviously. I said, "Yes," I
2 would. Do you want the tables made available this
3 evening?

4 MR. SCOTT: If we could,
5 please.

6 MR. STEEVES: I will.

7 MR. SCOTT: Thank you.

8 THE COMMISSIONER: The -- well,
9 Dr. Hobart, you certainly have taken a sound position
10 in saying, "This is a large and complex picture."

11 Your references to the liter-
12 ature show that certainly in the early '60s and the mid-
13 '60s so far as any researcher could tell, native people
14 aspired to move away from subsistence living and from
15 trapping as a means of getting an income, to wage
16 employment. That much seems plain enough. Now, just
17 tell me if I've got you right here. These studies
18 don't seem to take us into the '70s, am I --

19 A Yes. The kind of study
20 that was done during the '60s -- well, many of these
21 were financed by DIAND. DIAND had been less generous,
22 their funding policy changed. They have done more in-house
23 research. I think they saw this as drawing a profile,
24 a picture. They have not re-done the study, well, ten
25 years later or something of that sort. So that I was
26 primarily interested in the earlier studies because
27 I was interested in how early this kind of influence
28 had been detected. But I can't think of any more recent
29 -- well, studies done during the 1970s that bore on this
30 issue that I might have commented on.

C. Hobart
In Chief

Q The question, putting it broadly, what kind of life do they want?

A I'm sorry. What kind of life do --

Q Do they want -- do they aspire to. That's sort of the question that those studies in the '60's purported to answer.

A Well let me comment on that in this context if I may. I think I would argue that native people are voting with their feet and with their hours -- with their lives in a sense during the '70's and what I have in mind here if I may tick them off very briefly, the Hire North program involved men leaving their home communities for thirty days working in the camp and then going home. Now, that kind of employment involves a certain kind of privation I would argue; obviously from family and friends and community life.

That kind of employment was so popular with people in the, well -- in the middle and upper Mackenzie but they had to ration those job opportunities; that is, after men returned from a rotation in the Hire North Camp, they were not permitted automatically to go back. Other people who had been longer without work than they were given the opportunity.

The situation is even more dramatic in Igloolik where workers working at the Strathcona Sound Mine -- the Nanisivik Mining complex have to leave home for six weeks before being rotated back. Again, there has been no people

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In Chief

1 from Igloolik seeking that kind of employment.

2 The employment in PanArctic
3 which has been very popular with Arctic Bay and Pond Inle
4 people involved 20 days on the job. Many of the delta
5 and Coppermine people worked 14 days on the job before
6 being rotated back.

7 Now, the point I want to make
8 then is that all of that employment has been popular
9 despite the very real hardships as I think practically
10 everybody would agree.

11 Q You're saying that shows that
12 the preferences expressed in the '60's are persisting
13 into the '70's?

14 A Yes. I am saying that
15 there are, as I would think, undeniable indications
16 of strong interest. Now, that cannot be converted into
17 statements about the proportion of the community except
18 in the context of Coppermine where I know the situation
19 well enough to be able to say that only those people
20 who have fixed local employment have not been interested
21 in working for Gulf in the delta -- permanent local
22 employment, I should say.

23 Q Yes. Just one other
24 thing. Maybe this comes up in a later panel but don't
25 let me overlook it. Dr. Asch, in his evidence,
26 questioned the social utility of cash from wages being
27 introduced into the economy of these villages if a
28 pipeline were built. Maybe this is coming up in a later
29 panel, but you'll recollect that he said -- well, the
30 young men without family ties and without employment in

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1 the village are the ones who will wind up working on
2 the pipeline. They will get lots of money and they
3 will spend it on things like alcohol and various other
4 forms of instant gratification in terms of purchases
5 of material goods. This will be a distinctly unhealthy
6 thing for the communities where they live.

7 I'm not asking you to deal
8 with that now if it's coming up later. But --

9 A No. I think it's not
10 necessarily coming up and let me comment if I may.
11 I am frankly confused by that question because my own
12 values are in accord with Dr. Asch's about that point.
13 But the point is essentially I think exactly the same
14 as should be made with respect to farmers on the
15 prairies or in the Maritimes perhaps as far as that
16 goes, who are leaving the -- the same thing would be
17 true of the outport people of Newfoundland who are
18 leaving the small places where community ties, personal
19 relationships, emotional support -- good human places to
20 live and they're going to the cities where the dollars
21 are to be made.

22 Now, from a human perspective
23 I would certainly argue that that's all wrong. But
24 that's the way our society apparently motivates people
25 to behave. It's hardly strange then, it seems to me,
26 that native people are learning essentially the same
27 kinds of lessons. I guess my own private reaction also
28 then is that, well it seems a bit awkward to me
29 as a non-native person to be telling the native people
30 what they ought to be doing.

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1 Q Yes. I see your point.
2 The -- just forgive me for holding you up here, but
3 while you're here I want to make sure I put to you some
4 of the things that have been going through my mind.

5 Going back to Rushforth's
6 evidence, he told us about what these people are doing
7 in Fort Franklin. You're saying that well -- first
8 of all, you say the preferences they expressed in the
9 '60's can be seen to be persisting in the '70's because
10 of this what you say -- you say they are "voting with
11 their feet" and I follow your line of reason there.
12 That is, in a way, perhaps a more valuable indicator
13 of their preferences than what they might have said in
14 the '60's anyway. What you said about Coppermine and
15 the Hire North.

16 A Just so I'm understood
17 at this point, let me say they are certainly not
18 voting with their feet to the exclusion of opting out
19 of the dual economy. That is, during their rotations
20 home, they go hunting and this sort of thing. But
21 they do --

22 Q At Coppermine, you are
23 talking about?

24 A Well Coppermine, and --
25 Oh, I know that the same is true because I have done
26 research just recently with respect to Pond Inlet and
27 Arctic Bay and Igloolik and I'd be awfully surprised
28 if it were not the same with respect to the middle
29 Mackenzie and well -- as Dr. Asch pointed out, those
30 data do point out that the Fort Simpson people still

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In Chief

1 depend heavily on country food and go harvesting those
2 country food resources. I think the contrast is not
3 between hunting and wage. It's between trapping and
4 wage economy and in Coppermine in the year before last
5 which was the peak fox cycle year and when prices
6 were sky-high in terms of white fox. Some really
7 hard driving fellows tended to do both. That is, that
8 they hit the trapline when they came home. They ran
9 shorter traplines and that sort of thing.

10 But I guess what I want
11 to emphasize then is that there are continuing
12 opportunities for having the best of both worlds if
13 one is content with low skill level jobs. If one
14 wants to go the ^{highly} skilled or the professional job route.
15 why obviously at that point, you have to forego the
16 -- to a much greater extent. Although again, not
17 completely because one of the advantages of skidoos is
18 that they make possible speedy access to hunting
19 areas and so on.

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1 Q Well,
2 Asch and Rushforth had this quarrel with Gemini North
3 and let me see if I can summarize in a rough way the
4 point that we have reached today.

5 They argued with Gemini North
6 about the extent of the reliance upon the bush by the
7 people for subsistence, that seemed to be the argument
8 they were having.

9 A Right.

10 Q Now, the
11 argument that -- not the argument, but it seems to
12 me that what you're saying may not bear upon that
13 argument. You're not taking sides in that argument,
14 you're saying that so far as the getting of income
15 is concerned, all the evidence points to a movement
16 away from trapping and towards the wage economy, both
17 in terms of preference and in terms of the time spent.
18 Is that a fair summary of where we've gotten to?

19 A Yes, let me reiterate.
20 I don't have -- I would agree with Asch and Rushforth's
21 position with respect to the continued importance of
22 game sources of food. The native people can, and in
23 terms of the employment situations that I'm familiar
24 with, they do tap both sources, the wage economy and
25 traditional activities.

26 Let me add just one other
27 thing. Some of the research that I quoted here was
28 published in an issue of the Journal Anthropologica,
29 which dealt with cultural change in the north. There
30 was a concluding article to that by an anthropologist

C. Hobart
In Chief

1 Charles Hughes, who was rather a scholar of the northern
2 peoples, generally. Summing up the various --

3 Q You mean
4 around the world?

5 A Yes, yes. He's -- one
6 of the famous papers that he's done is entitled, "Under
7 Four Flags", which is the study of Eskimos in Greenland,
8 Canada, the U.S. and Russia, so that he's a comparative
9 scholar in that sense, but he suggested in this article
10 that the hallmark of the Inuit, at any rate, has been
11 their adaptability. In terms of today's world, the
12 best -- the most flexible resource available is money.

13 Inuit, as adaptable people,
14 quickly became aware of that fact and they have shaped
15 their behaviour increasingly to where money can be made
16 most easily and in the largest amount.

17 Now, in terms of what we
18 were saying earlier that has usually not meant opting
19 out of the subsistence economy completely by a long-
20 shot. It has no doubt resulted in some curtailment
21 but one needs to add that the availability of deep
22 freezers, particularly community deep freezers, means
23 that one can go hunting at more widely separated
24 intervals, bring in a bigger bag and have game food
25 throughout the year.

26 Q Let me just -- the-- you
27 see, in the communities, some of the things that people
28 said about the pipeline may well have been owing to
29 a misunderstanding about what had been asserted in
30 the Gemini North study, regarding their way of life.

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In Chief

Now, in Fort Franklin, there was a very great resentment expressed by the Chief and members of the council and by all kinds of people, as I recall, about the Gemini North study and I think if you look at that again, and I think I should do so myself, there was a feeling that Gemini North had discarded the whole subsistence economy and said, well, this is of no consequence. So, the feeling in the village was that the Arctic Gas group was inclined to dismiss that out of hand and that built up a considerable resentment.

A Yes.

Q Whereas you're taking a rather more limited tack and you're simply saying that in terms of getting an income, getting cash, they have expressed a preference and shown preference for moving into the wage economy and away from trapping.

I think if you look at those transcripts you'll see that trapping is used as a kind of generic term to embrace the whole of bush life.

A M-hmm.

Q And that is -- and of course often that word is used in translation and that may have led to some of the difficulties that --

A Yes. Yes, if I might interject. The other thing that I've been concerned about in this presentation is not that -- not by any means did the bush life does not have continued viability. What with the rise in fur prices in recent years, that is, since the 1970's, why it is obviously much more

J. H. H. H. H.

C. Hobart
In Chief

1 viable than it was at a time when prices were pitifully
2 low.

3 The other thing that I've been
4 concerned about is given the size of the population,
5 groups of young
6 people, the baby crops that have come along. There
7 simply are way to many young people to make their
8 living by trapping and the evidence seems, to me, pretty
9 overwhelming that the vast majority of them would not
10 have the skills and --

11 Q Or the inclination.

12 A -- and the inclination,
13 yes. So that it's not either/or, it seems to me, it's
14 sort of both and, and those who want to opt for the
15 bush life, there are certainly important values there,
16 from native perspective, from white perspective as
17 well. A complication there, incidently though, is that
18 the person who opts for the bush way of life has a
19 great deal of difficulty finding a wife who is going
20 to opt for that same pattern and our education has
21 certainly tended to wean women away with our white
22 standards of beauty and cleanliness and that sort of
23 thing, away from the pattern of life which has to be
24 lived in bush camps.

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C. Hobart
In Chief

Q You see, if you look at those transcripts, those young people who spoke, who were not in a body saying "we want to be trappers." It may well be that very few actually said that.

In suggesting that what you presented here is at variance with what people said at the community hearings, it may not be all that greatly at variance with what was said at the community hearings, once we break down the elements of bush life into the income gaining section and the subsistence section.

Well, I am sorry to have kept you all here, but Dr. Hobart has certainly been very helpful, and may I just repeat what I said, Mr. Steeves, that when Asch and Rushforth are here on Thursday, if it is at all possible for Dr. Hobart to be here then, we might, subject to what counsel may say, ask you to call him again after Asch and Rushforth have been heard so that if he has a postscript to their evidence, it might be a good thing for us to hear it then. Maybe we're getting somewhere with this.

MR. STEEVES: Mr. Commissioner, perhaps to assist you and my learned friends, there is a panel ⁱⁿ 4 which Dr. Hobart will be a witness where he will deal with some of the sociological implications of the construction phase, and I would propose at that time, subject to any matters that are covered in the meantime during this cross-examination now, to deal with anything left in the conflict between Asch and --

MR. SCOTT: Well, Mr.

C. Hobart
In Chief

1 Commissioner, that would be acceptable, of course, to
2 all of us but I would hope that nobody, unless it is
3 essential, will defer their cross-examination of Dr.
4 Hobart to that time because if that happens we're
5 going to end up with a gap this week and a busier week
6 than we can bear later on. So I would hope, as I intend
7 to do, that we'll have full cross-examination of Dr.
8 Hobart insofar as that is possible tomorrow.

9 THE COMMISSIONER: Oh yes.

10 MR. STEEVES: I won't be
11 cross-examining.

12 MR. SCOTT: No, not anymore,
13 you mean.

14 THE COMMISSIONER: Well, you
15 know, we're trying to find out what's going on in this
16 country, and we've ^{listened} / to the people who live here and
17 we are listening to people of great experience and
18 competence such as Dr. Hobart, and if we can see -- it
19 seems to me, one of the things we have to do is to
20 assess that and then to see how this pipeline project
21 and all that it entails, to what extent it is
22 consistent with all of that or inconsistent, and maybe if
23 we can at least figure out what the people here are
24 thinking and what their aspirations are and what their
25 own preferences expressed and shown so far have been,
26 then we can at least have some kind of a base from which
27 to make a judgment about this pipeline project and the
28 energy corridor and what it will mean to them. So, sorry
29 to have kept you all here, but it has been helpful to me
30 if to no one else, so 10:00 in the morning.

(PROCEEDINGS ADJOURNED TO JULY 6, 1976)

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Vol. 157

AUTHOR

Mackenzie Valley pipeline inquiry:

DATE

July 5, 1976

DATE DUE

RENEWED & NAME

347

M835

Vol. 157

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MACKENZIE VALLEY PIPELINE INQUIRY

Government
Publications

IN THE MATTER OF APPLICATIONS BY EACH OF
(a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR A
RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS
CROWN LANDS WITHIN THE YUKON TERRITORY AND
THE NORTHWEST TERRITORIES, and
(b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY
THAT MIGHT BE GRANTED ACROSS CROWN LANDS
WITHIN THE NORTHWEST TERRITORIES
FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE
and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND
ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION,
OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE
PROPOSED PIPELINE

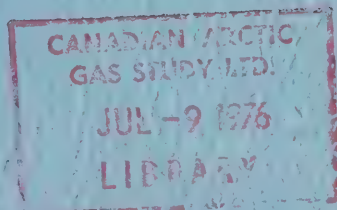
(Before the Honourable Mr. Justice Berger, Commissioner)

Yellowknife, N.W.T.

July 6, 1976

PROCEEDINGS AT INQUIRY

Volume 158



APPEARANCES:

Mr. Ian G. Scott, Q.C.,
Mr. Stephen T. Goudge,
Mr. Alick Ryder and
Mr. Ian Roland for Mackenzie Valley Pipeline Inquiry;

Mr. Pierre Genest, Q.C.,
Mr. Jack Marshall,
Mr. Darryl Carter and
Mr. J.T. Steeves for Canadian Arctic Gas Pipeline Limited.

Mr. Reginald Gibbs, Q.C.,
Mr. Alan Hollingworth and
Mr. John W. Lutes for Foothills Pipe Lines Ltd.;

Mr. Russell Anthony,
Prof. Alastair Lucas and
Mr. Garth Evans for Canadian Arctic Resources Committee;

Mr. Glen W. Bell and
Mr. Gerry Sutton for Northwest Territories Indian Brotherhood, and Metis Association of the Northwest Territories;

Mr. John Bayly and
Miss Leslie Lane for Inuit Tapirisat of Canada, and The Committee for Original Peoples Entitlement;

Mr. Ron Veale and
Mr. Allen Lueck for The Council for the Yukon Indians;

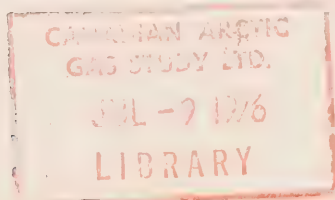
Mr. Carson Templeton for Environment Protection Board;

Mr. David H. Searle, Q.C. for Northwest Territories Chamber of Commerce

Mr. Murray Sigler for The Association of Municipalities;

Mr. John Ballem, Q.C. for Producer Companies;

Mrs. Joanne MacQuarrie, for Mental Health Association of the Northwest Territories.



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Yellowknife, N.W.T.

July 6, 1976.

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: I see that this panel consists of Dr. Hobart and Mr. Trusty. Are we going to hear from Mr. Trusty now, or do you want counsel to cross-examine Dr. Hobart?

MR. STEEVES: No, I thought perhaps counsel might cross-examine Dr. Hobart now and call Mr. Trusty after that.

MR. SCOTT: Mr. Steeves has produced the charts that Dr. Hobart referred to in his evidence, and if they haven't been already, perhaps they should be marked as an exhibit.

MR. STEEVES: Well, I was going to take -- are you ready to proceed, sir?

THE COMMISSIONER: Yes.

CHARLES HOBART, resumed:

DIRECT EXAMINATION BY MR. STEEVES (CONTINUED):

Q Dr. Hobart, you produced a number of charts which are bundled together, consisting actually of a number of tables, are they not? Would you take the bundle and go through them one by one, and I want to ask you firstly about the sources in each case, and then a very brief description, if you will, of what they show. Now, Table 1, what are its sources?

A I note several sources at the bottom of the page. I neglected to mention that the population data are from the Census of Canada for

C. Hobart
In Chief

1 1971. The other data are indicated there at the bottom
2 of the page, I think.

3 Q Yes. Is there any inform-
4 ation on Table 1 obtained from the Territorial Govern-
5 ment?

6 A The 1974 figures, which
7 are in the left-most column, are Territorial Government
8 population figures.

9 Q Yes, and the balance of
10 the figures under "Population" are from Census Canada.

11 A That's right.

12 Q I direct your attention
13 to Table 2. What does that show?

14 A That simply shows a
15 population of the whole of the N.W.T. for the years
16 1921 through 1971 by 10-year periods, and for '74,
17 again the source for the 10-year periods is from
18 Canadian Census Data. The 1974 is from Government of the
19 Northwest Territories figures.

20 Q I direct your attention
21 to Table 3. What does that show?

22 A The data there show
23 birth rates by ethnicity for the Inuvik zone, for
24 the Mackenzie zone, and for the whole of the N.W.T.
25 by ethnicity , Inuit, Indian and other. Those
26 figures are from published reports of the Northern Health
27 Service of the Department of Health & Welfare of the
28 Federal Government. The 1974 figures, if I am remember-
29 ing correctly, were not yet published at the time that
30 I obtained them. I think they have now been published,

C. Hobart
In Chief

1 however.

2 THE COMMISSIONER: Going back
3 to Tables 1 and 2, Dr. Hobart, just so there's no
4 misunderstanding, I take it that the columns which are
5 headed -- well, let's just take the first community,
6 Hay River --

7 A Yes.

8 Q -- total 3,500, percent of
9 total population that consists of native people is down
10 at 23.3. Now, would that figure be exclusive of
11 Metis and non-status?

12 A Yes. Those are Census
13 Canada figures, and it's the percentage of the 1971
14 total population, of course, and Census Canada, as
15 you know, permits identification only of Inuit and of
16 Treaty Indians, so that Metis would not be included in
17 that category. That should have been noted in the foot-
18 note.

19 Q Yes, I assumed that but I
20 just didn't want there to be any misunderstanding; and
21 in the next -- and I appreciate that the 23.3 relates
22 to a year other than '74.

23 A Right.

24 Q The next column,
25 "Percentage of natives under 15 years",
26 that is the percentage of the native population under
27 15 years.

28 A Right.

29 THE COMMISSIONER:
O.K., sorry, back to
30 Table 4, to which I think you had come.

C. Hobart
In Chief

MR. STEEVES: Q I direct your attention now to what in my bundle is the next one, Table 6. Perhaps it's out of order, but it's headed: "Male experienced labor force in the Mackenzie corridor."

A You don't have a Table 5?

Q Mine's a bundle.

A There is a Table 4 and a Table 5.

Q Let's go to Table 5, whatever order it's in.

A All right.

THE COMMISSIONER: Where do we go now, Table --

M R. STEEVES: Table 5, would everyone find Table 5? I think perhaps it's out of order.

THE COMMISSIONER: Right.

MR. STEEVES: Table 5 is two pages -- three pages in fact.

A These are data which were supplied by, I'm not sure of the exact title, but it's the "Committee for Petroleum Employment to Promote Employment of Northerners," or on "Employment of Northerners in the Petroleum Industry," and they have published data for four seasons, 1971-72, '72-73, '73-74, and '74-75. It's possible by re-analysis of some of their published data to come up with the figures that I have here. In other words, they don't always present the information in exactly this form, but it's possible to

C. Hobart
In Chief
of their data

1 through further analysis, to arrive at the figures for
2 number of jobs, man months, estimated total wages, and
3 mean income per job, as for each community in the
4 corridor, as the table shows.
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C. Hobart
In Chief

Q Is this the committee that has a monthly publication, the name of which I'm sorry I can't pronounce, published in Calgary?

A That I don't know. I am sorry.

Q Is it a committee, the members of which consist of a number of the producing and exploring companies active in the north?

A With Federal Government representation as well I believe. I think it's chaired by somebody from the Federal Government.

THE COMMISSIONER: You have a monthly publication called "Okurok" I think.

A That's right, "Okurok".

Q They have a report each month on the hearings of this Inquiry and one of the things I'd like cleared up before we finish our work is who writes it.

MR. STEEVES: I tried to find out, and they don't accept letters to the editor either.

Can we go now to -- mine are badly put together. We haven't done Table 4 yet.

A Shall we go to Table 4?

O Yes please.

A O.K. Table 4 presents selected income data for Mackenzie drainage communities. Now, as I indicated in the presentation yesterday, there are difficulties in income data because they are obsolete and so on, so that I simply have presented the data that I found available. Most of the data are from

C. Robart
In Chief

the Mackenzie Manpower Survey, 1969. The data on income in kind are from the Gemini North field surveys.

Q All right.

THE COMMISSIONER: Excuse me, Mr. Steeves. Before I forget this, is that the attributed value to income in kind from the Gemini North survey?

A It is, so that it's subject to the criticisms of those data that have been noted previously before this Commission.

Q Yes, and essentially the criticism related to the question whether you should attribute a value to country food based on replacement value or local exchange value. Do you take any position on that?

A I would agree entirely with Dr. Asch's position on that. I think that his points there were very well made and that I would agree with him wholeheartedly.

MR. STEEVES: Now, I think we're back at Table 6.

A The data here are from -- well, they are listed at the bottom of the Table from the 1961 and '71 Censuses of Canada and from the DIAND Northwest Territories Manpower Survey. We had some discussion yesterday about the discrepancies in percentage of population reported as trappers in various communities between particularly the census and the Manpower data.

Q Now, I'd like you to --

C. Hobart
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1 that exhausts the --

2 A No, there are seven and
3 eight-- Table seven and eight. Maybe yours got lost
4 somewhere along the line.

5 Q I don't have those.

6 A O.K., well, Table 7
7 deals with grades in school completed by males age five
8 and over and those no longer in school -- I'm sorry --
9 of those no longer in school for the delta, the middle
10 Mackenzie and the upper Mackenzie Districts. The data
11 are from the Annual Report of the Commissioner of the
12 Northwest Territories for 1961 and 1971.

13 Table eight deals with the
14 five highest ranking and five lowest ranking occupational
15 titles of northern people respondents by ethnic group
16 and place of residents. Those data are from the study
17 which Derrick Smith did of the preferences of students
18 in Yellowknife and in Inuvik and it's from the published
19 report by Smith of that research which is footnoted
20 in my report, in the list of sources at the end of
21 yesterday's testimony.

22 Q Now, Dr. Hobart, I'd
23 like now to direct your attention to the list of
24 sources consulted which is at the end of your evidence
25 and just preceding tab two in the brief. I'd like you
26 to run through those names and first of all, suggest
27 to us those names that you are able to comment on as
28 to their standing reputation in the sociological field.

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A More of these are anthropologists than are sociologists.

Q Right.

A So that some of them are not very well known to me at all. Asen Balikci is an anthropologist who has worked in the north for the last 20 years or so in various areas of the north. His work is widely recognized I think.

Ronald Cohen is less well known to me, I know that he has published a number of things with respect to the north. I'm not able to comment beyond that.

Norman Chance is an anthropologist who has worked widely in Alaska and in the Arctic and among Indians in eastern Canada. A man with a very well established reputation I think.

John Trudeau I'm not able to comment on at all.

Don Clairmont was active in a number -- he is a sociologist I believe. He was active in research in the Mackenzie Delta area in the early '60's. More recently he's been working among black communities in eastern Canada.

Ronald Cohen I already commented on.

Jacob Fried I know very little about.

June Helm, I think needs no comment at all, she gave overview testimony before this Commission more than a year ago and she is probably the

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foremost expert in Athabaskan peoples, I think.

Dave Damas has been doing work, primarily among Inuit communities in the Canadian Arctic to my knowledge. Again, for a period of some 20 years or so, his reputation is comparable to that of Balikci I would say.

Helm again, Nancy Lurie was a graduate student of Dr. Helm I believe, and I'm not able to comment much beyond that. She worked under Dr. Helm's supervision, as is my impression.

Charles Brant is an anthropologist who has done little field work in the north. He and I visited Greenland and were particularly interested in the Greenlandic educational system, as the title of that article indicates.

Dr. Kupfer is a sociologist at the University of Alberta, again he has not done very much research in the north. The three reports that I wrote or co-authored with Dr. Kupfer, which are found there at the top of the second page of sources cited were -- well, there was some cross-examination on the research reported in those reports at Inuvik, it will be recalled by many here, I suspect.

The Honigmann's, John and Irma, a husband and wife team are again, very long-term and they are -- I'm sorry, they are anthropologists who have worked for 20 and more years in the Canadian north. They have worked in the eastern Arctic, in the western Arctic, among a number of Inuit settlements, in a number of Indian settlement areas, again a very

1 eminent reputation is reflected there.

2 Janice Hurlbert I'm not able
3 to comment on at all.

4 Richard King is a specialist
5 in the anthropology of education. The Anthropology
6 Department at Sanford has specialized in that area
7 and he did an indepth study of the school. It was
8 the Indian school at Carcross in B.C., in fact.

9 Ditte Koster was a masters
10 student who did her thesis on some aspects of the
11 educational system at Frobisher Bay. I read her thesis
12 but I'm not able to comment on her , other than the
13 fact that she was working on a Master's degree in
14 anthropology.

15 Parsons was an employee of
16 DIAND, who engaged in a number of research projects
17 for DIAND in the middle '60's and I'm not able to
18 comment on him beyond that.

19 Derek Smith has a P.H.D. in
20 sociology from Harvard University; he was an employee
21 of DIAND for a while. He has engaged in search in
22 the Canadian north over a period of about 15 years now.
23 He is yet active in that area.

24 Peter Usher needs no introduction
25 at all to this group, I am sure. His eminence is
26 well known.

27 Q He is here this
28 morning.

29 A Pardon me?

30 Q He's here this morning.

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A James Van Stone has
been working, let's see, I think he did a bit of research
in Alaska with respect to Alaskan Eskimos. He has
worked among the Athabaskan, again for -- well, close
to 15 or more years now and has published both articles
and a much more generalized statement found in the
second source by Van Stone, at the top of the next page,
and Ann Welsch I am not able to comment on.

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Cross-Exam by Bell

1 MR. STEEVES: That's the
2 evidence in chief of Dr. Hobart, sir.

3 MR. SCOTT: Mr. Lutes?

4 MR. LUTES: I have no questions.

5 MR. SCOTT: Thank you. Mr.
6 Sigler?

7 MR. SIGLER: We have no ques-
8 tions, sir.

9 MR. SCOTT: Mr. Bell?

10
11 CROSS-EXAMINATION BY MR. BELL:

12 Q Dr. Hobart, are you familiar
13 with the work of Mr. David M. Smith?

14 A Mr. David --

15 Q M. Smith.

16 A No, I'm not.

17 Q How about Mr. Joel
18 Savishinsky?

19 A Joel --

20 Q Savishinsky.

21 A -- Savishinsky, I'm not
22 familiar with that either.

23 Q I have something I'd like
24 you to look at here.

25 A Am I to take time to
26 read these, or what should I do with this?

27 THE COMMISSIONER: I think
28 you shouldn't be asked to comment on them until you've
29 had a chance to read them. We adhere to certain funda-
30 mental rules of fairness. I think that had better be

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Cross-Exam by Bell

one of them.

MR. BELL: Yes sir. I wanted to give Dr. Hobart a chance to look at these letters. Perhaps, since the first one is relatively short, I could just refer to passages in it.

MR. STEEVES: No, let's not embark on this.

A Dr. Helm's letter are you referring to?

THE COMMISSIONER: Well, it probably would be easier if you gave five minutes to Dr. Hobart --

MR. BELL: Certainly.

THE COMMISSIONER: -- to look at them right now. Just take your time and look at them, and if you need ten minutes, that's fine too.

(PROCEEDINGS ADJOURNED FOR FIVE MINUTES)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: I've read the letters too, Dr. Hobart, and the only thing I take exception to is where Dr. Helm says to Professor Asch,

"I hope you will seek a regular publication outlet for,"

he's speaking of the presentation he made to the Pipeline Inquiry,

"It deserves to be part of the scientific literature. It would be a shame to have it disappear in the massive volumes of the testimony before the Commissioner."

C. Hobart
Cross-Exam by Bell

1 I don't know why the fact that he made his presentation
2 to a tribunal in public may have some influence over the
3 course of events is regarded as undesirable, and socking
4 it away in an academic journal to be read by other
5 academics is regarded as the appropriate -- anyway,
6 that's just no relevance to anything.

7 MR. STEEVES: There's another
8 irrelevancy that I might mention, is that I understand
9 that Dr. Asch's evidence consists of two parts, Part
10 I is the considered part, which is obviously what's
11 referred to here. The second part I've referred to in
12 conferences as the after-thought, which is the last
13 30 or so pages, which I understand he made up in the
14 day or two while he was waiting to give evidence here.
15 So it follows it is very difficult to know what part of
16 that totality of the original evidence, plus the after-
17 thought, is being commented on by the witness in the
18 letter.

19 THE COMMISSIONER: Well, if
20 there's any difficulty about that I think that --

21 MR. STEEVES: There certainly
22 is.

23 THE COMMISSIONER: Well, if there
24 is I think we should ask Mr. Bell to write to these
25 people and sort that out.

26 MR. BELL: I think that Dr.
27 Asch -- I would suggest that perhaps since Dr. Asch's
28 testimony consists of approximately 45 pages, that to
29 describe the last 30 pages as an after-thought is not
30 doing justice to it.

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Cross-Exam by Bell

Q Perhaps, Dr. Hobart,
you'd care to comment on the remarks that Dr. Helm made.

MR. STEEVES: Oh, come on, be
specific. Are we to argue with somebody who is not
even here and is apparently not going to come?

MR. BELL: Well, Dr. Hobart
cited Clairmont, Van Stone, Helm, Welsch, Cohen, Chant,
Hurlbert, Helm again and Helm again and Lurie. I don't
think they're going to be here.

MR. STEEVES: Well, why don't
you ask your question? What's your question?

MR. BELL: I wonder if Dr. Hobart
has any comments on the letter.

THE COMMISSIONER: Excuse me,
let's kind of go back to square 1 and take another run
at this. Mr. Scott?

MR. SCOTT: Isn't the way to
proceed for Mr. Bell to ask Dr. Hobart if he agrees
with this sentence or that sentence or the whole letter,
and then if he does, fine; if he doesn't, he can say
the points of disagreement?

THE COMMISSIONER: Well, all
right. I'd appreciate it even more if I knew in what
respect you, Mr. Bell, feel Dr. Hobart has disputed
Dr. Asch's evidence because I take it that it is on the
basis that Dr. Asch's evidence has been impugned by Dr.
Hobart that you have brought in these letters from
these no doubt very distinguished people to rehabilitate
Dr. Asch. But let's take our time here because it is
important and we're getting to some areas where we'd

C. Hobart
Cross-Exam by Bell

1 better understand what we're trying to do here.

2 A Might I make one response,
3 please?

4 THE COMMISSIONER: Well, Mr.
5 Steeves, let's allow Dr. Hobart to get it started here.

6 A The response I'd like to
7 make to the question you raised about how much hangs
8 there, is simply to read from Helm, if I may, and I
9 read this yesterday.

10 "Writing of the subsistence economy of the Dogrib
11 Indian,"
12 and that's quite a specific title of Lac La Marte based
13 on field work done in 1959 that is almost 20 years ago
14 -- that's 17 years ago. Helm and where am I-- and
15 Lurie's note,

16 "On the whole the fur trade has never allowed
17 the Northern Indian an adequate standard of
18 living by Euro-Canadian standards, or by the
19 developing desires and standards of the Indians
20 themselves. Their consumer desires have always
21 outstripped their financial resources. The
22 advent of various government allowances, and
23 in recent years the unprecedented opportunities
24 unpredictable though they be for wage work
25 have opened new consumer horizons and have
26 permitted a certain degree of economic sec-
27 urity and especially have fostered the outlook
28 that a certain consumption level and degree of
29 security is a right."

And again in the same report they write --

C. Hobart
Cross-Exam by Bell

1 THE COMMISSIONER: Excuse me,
2 Dr. Helm in '59?

3 A That's Helm in '59,
4 writing of the Dogrib Indians of Lac La Marte, and
5 again in the same report, the same people:

6 "The contemporary Dogrib no more wishes to
7 return to the skin tent and dress than he
8 wishes to return to the birch bark canoe, if
9 only in terms of escaping the unremitting
10 toil of yesteryear. As one old woman in her
11 '60s put it in describing her youth,

12 'Before we were so very pitiful; we are
13 just like ladies now.'

14 The expanding cash economy largely through the
15 advent of wage work and government allowances has
16 allowed a standard of living that precludes a
17 return to more aboriginal conditions or that
18 precludes a return to more aboriginal conditions,
19 or even by choice stabilization at the present
20 living level. For this latter reason it seems
21 unrealistic in terms of native consumer interests
22 and standards to return -- to encourage the
23 Indian to adhere to or return to the fur trade
24 economy and the bush life of his fathers and
25 grandfathers' generation. To be a trapper only,
26 many a bush Indian even today would have to
27 submit to a decline in standard of living.
28 He cannot visualize a possible detrimental
29 consequences in social, familial and personal
30 life that greater involvement in the market

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Cross-Exam by Bell

1 economy of western society may bring, but
2 he knows full well the security and pleasures
3 of money in hand, and this knowledge brings
4 even the prideful hunter and master of bush-
5 craft out of the bush to seek wage work."

6 Now there is obviously a
7 contradiction between the sentiment of those paragraphs
8 that I read and the sentiment of her letter. Scholars
9 like everybody else have a right to change their minds.
10 I cannot help but feel to some extent that the pipeline
11 controversy has influenced her thinking.

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Cross-Exam by Bell

1 MR. BELL: I'm interested in
2 that remark.

3 A That's obviously
4 speculation.

5 Q In what way would the
6 pipeline controversy influence the thinking of the
7 scholar -- the foremost expert on Athabascan people?

8 MR. STEEVES: Mr. Commissioner,
9 at your direction, I didn't interrupt Dr. Hobart, but
10 is this a free-running debate we're into now or --

11 THE COMMISSIONER: Well it
12 may be. Let me --

13 MR. STEEVES: I'm very troubled
14 about the fairness of this. I'm quite serious and I
15 ought not to talk about an afterthought but in fact I
16 am informed -- and I believe that to be the case -- that
17 Dr. Asch's evidence was in two parts.

18 Now, this letter really says --
19 seems to deal with two questions. 1. The validity of
20 the Gemini research methods and, 2. the evidence which
21 was apparently sent by Dr. Asch to Dr. Helm on a
22 scholarly exchange basis, and what is said in the latter
23 part of Dr. Asch's evidence has with respect quite a bit
24 more bite and quite a bit more penetration than what
25 is said in the earlier part.

26 THE COMMISSIONER: Well, she
27 at least got to the passages where Dr. Asch dealt with
28 the use of country food at Wrigley and Simpson and
29 analyzed the Gemini North figures, because she mentions
30 that.

C. Hobart
Cross-Exam by Bell

MR. STEEVES: Yes.

THE COMMISSIONER: One thing that troubles me about all of this is you see, I don't want this to become a sort of nit-picking session among sociologists and anthropologists. I say that with all respect. We've had lawyers picking nits here often enough, and I don't want other disciplines to get into the act. But let me just see if I understand where we are at.

Asch gave evidence about the extent to which people in the Mackenzie Valley still use country food as an essential part of their diet. Now, he took issue with Gemini North, Arctic Gas's consultants. Dr. Hobart agrees with his analysis about the extent to which people in the valley use country food. He disputes Gemini North's conclusions.

It seems to me that since you've brought a witness forward Asch who has given that point of view, Rushforth, whom you've brought forward has supported him. Arctic Gas's witness, Dr. Hobart, agrees with them both. Gemini North is apparently not going to be relied upon so far as that is concerned. It seems to me we have developed an area of agreement among all of you, that unless somebody else comes in here and wants to argue about it, we've now got an area of common ground that we can maybe make something out of. You can begin to tell me what the significance of all that may be in terms of pipeline development and the energy corridor.

Now, let me ask you if this is

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1 where Asch disagrees with Dr. Hobart. Dr. Hobart
2 yesterday made it clear and I discussed it with him
3 at the end of the day and kept you all for an hour while
4 we chatted about it. He said, "when it comes to earning
5 income as apart from getting food from the bush, native
6 people in this valley expressed a preference throughout
7 the '60's when interviewed by anthropologists to go
8 to work for wages for the government or for industry
9 to obtain cash." They preferred to obtain cash by wage
10 employment rather than by trapping for furs in the bush
11 and then selling them and getting cash in that way.

12 He argued that that is a trend
13 observed in the '60's, still observable in the '70's.
14 He cited a number^{of} instances Hire North, the petroleum
15 exploration activity in the delta, the participation
16 of natives in wage employment in those spheres and that
17 was his thesis on that aspect of it. But he agrees with
18 Asch and Rushforth on the very great reliance still
19 placed on country food by the people of this valley.

20 Now, if Asch disagrees with
21 him and I can't recollect whether Asch got to this
22 particular area -- Asch, I think argued that a pipeline
23 and obtaining wage employment through a pipeline would
24 in the long run not benefit the native people of the
25 valley. Now, that seems to me that he may even there
26 not be -- that goes beyond what Dr. Hobart has been
27 trying to say to us as I understand it. Dr. Hobart
28 is saying to me, "Well I'm telling you what they have
29 been doing over the past 15 years and they're moving
30 out of trapping to obtain cash. They are moving into

C. Hobart
Cross-Exam by Bell

wage employment."

Dr. Hobart hasn't gone on from there to say "And let me add, judge, that this pipeline is the best thing that could ever happen to these people. They'll have all kinds of wage employment and they'll live happily ever after." He hasn't gone that last mile. Maybe he's going to in his next appearance on the panel. But, you see, it seems to me that where Asch and Hobart have not collided, there isn't very ^{much} point in adducing all these testimonials to Asch's paper.

I hope that I am clearing this thing up. I just don't want you people to argue about things that you're not arguing about.

A Might I, because I did add a remark, clarify that remark. That's the one that Mr. Bell was just jumping on, and what I want to say here is that the picture in the valley represents persistence in some aspects and change in other aspects.

Q Right.

A Now, my own perspective is that anthropologists are more interested in persistence and I think I might say that they tend usually to have a bit of professional vested interest. They are more interested in the continuities.

Q They don't want their clients to die out.

A The sociologists, on the other hand tend to be more interested in change, but sociologists are interested in persistence. I've done

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a couple of studies which emphasize this sort of thing,
and one's perspective in terms of emphasizing persistence
and change is obviously subject to a variety of
influences that one may or may not be aware of.

So, what I meant to be saying
is that in certain contexts I am more interested in
persistence. In others, I am more concerned about
change. I am concerned ^{about} change here because of the
large number of young people who I feel are desperately
going to need satisfying employment here in the course
of the next 20 years. That's my --

Q It may well be that Mr.
Bell and Dr. Usher and Mr. Bayly and Dr. Watkins, if
he were here, would agree with that last sentence you've
just uttered. These young people -- somebody has to
think about meaningful employment and meaningful
productive activity for them over the next ten, 20
years.

Now, the Brotherhood and the
Metis Association and COPE would say, "Well, we are
thinking about that and we think that a pipeline isn't
the best answer to that problem. We've got some other
answers." But can we just see if we are getting
somewhere here. You see, I am still at a loss to know
exactly why you people are taking such an adversary
position to Dr. Hobart.

What he has just said, that
meaningful employment for the people of this valley
may well be essential over the next ten, 20 years.
He still hasn't said -- maybe he did say it and I missed

C. Hobart
Cross-Exam by Bell

1 it -- but he still hasn't said, "And this Arctic
2 Gas pipeline is the answer to all your problems". I
3 mean, that's the step that Arctic Gas naturally wants
4 to go, building on the foundation of Dr. Hobart's
5 evidence. But he hasn't said that up to that point.
6 I can't see that he has said an awful lot that any
7 of you speaking to the back row there, would be inclined
8 to fight about.

9
10 Forgive me for doing all the
11 talking, but we're getting at a stage where we have to
12 do some hard thinking about all this. I've listened
13 closely to Asch and Rushforth and Hobart and Helm
14 and anybody else who has come here, and I am trying to
15 see if we can't focus on what's really troubling us
16 all.

17 Well, I don't know whether I am
18 helping or hindering the process but --
19
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Cross-Exam by Bell

MR. BELL: Perhaps I could
get to the point that I was trying to get at.

THE COMMISSIONER: Okay.

MR. BELL: Can we --

THE COMMISSIONER: Excuse me,
Dr. Hobart, have I been fair to you essentially in what
I've said?

A Certainly.

MR. BELL:

Q Dr. Hobart, you've placed
some reliance on the Gemini North survey data in your
evidence, as I understand it.

A I allude to it because
what my strategy basically was, was to call attention
to such data as were available, but I would not say I
placed any dependence on it, no. The thrust of my
argument would be no different if that part were cut
out.

Q Well, are you then saying
that you agree with Dr. Helm when she says here in her
letter,

"The so-called values of prices placed on
such things as caribou meat and fish in
the Gemimi analysis were patently absurd to
anyone who knows northern life.",
as you point out speaking to Dr. Asch.

"To price caribou meat at 60 cents a pound
as in 1971, '72 is nonsensical.",
and then she goes on to describe the proper way to
evaluate these things. Would you agree with her?

A I don't think that that --

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Cross-Exam Ly Bell

MR. STEEVES: Nonsensical,
really.

A I wouldn't support the
Gemini material at that point at all. I don't treat
that as creditable, whether it's silly or nonsensical,
that gets tricky, but I would not credit that.

THE COMMISSIONER: Absent the
pejoratives, Dr. Hobart agrees with you, right?

A Right.

MR. BELL:

Q Do you take the same
attitude towards the Gemini North findings with respect
to income from trapping?

A No, I do not with respect
to income from trapping. Perhaps let me make a little
statement. Everybody agrees, Asch's statements reflect
that, everybody agrees that the fur market crashed and
that the effects as far as the income needs of native
people were pretty disastrous during the '60's. Now,
what has happened in recent years, obviously, is that
fur incomes have increased substantially.

Q Yes sir, you say that --
on page 29 of your evidence, and you're talking about
the Gemini North surveys, you say that no trapping at
all was recorded for Fort Providence and Fort Franklin
and even as a source of income, we can make that
distinction as opposed to a subsistence activity, and
that refers to 1972.

A Right, right.

Q I'm on page 29 of Dr.
Hobart's prepared testimony.

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Cross-Exam by Bell

THE COMMISSIONER: What line?

MR. BELL: The last paragraph,
the first sentence.

A So, let me answer that
by saying that I, myself called attention to deficiencies
in Gemini data there, but the general conclusion that
trapping has failed to provide adequate income, in terms
of the cash needs of native people, I take that conclusion
as unshaken and basically, I would say some of the things
that Asch said as support and some of the things that
Helm and others have said. I don't think there's any
real debate about the rather desperate situation of
many people as far as cash was concerned.

Sure, the government stepped
in with a variety of programmes that cushioned it, but
it was still pretty tough.

Q Well, maybe I should ask
you the question that everybody wants to ask you, do
you think that this pipeline would provide substantial
benefits to native people?

A Let's see, I stand
corrected on this. I think we're going to get into
that issue much more in the fourth panel, and I really
question whether we ought to be taking up time with that
issue at this point.

THE COMMISSIONER: Couldn't we
leave that until the fourth panel.

MR. BELL: Well, I just thought sir,
that since Dr. Hobart seems to have had such an involve-
ment with advising Arctic Gas, that he might have
formulated an opinion that we could just know about

C. Hobart
Cross-Exam by Bell

briefly here. I'm willing to defer any detailed discussion of it until later.

THE COMMISSIONER: Well, Dr. Hobart, you might look at the letter that was sent by David Smith and the -- that's the second letter from the University of Minnesota.

A Yes.

Q And the last two paragraphs on page one of his letter, beginning, "Your general position, etc." and then he says, "the conclusion seems inescapable", you might just consider those two paragraphs because I don't want you to give me your views on them now, but if in panel four you want to comment on them, please do so. The first paragraph summarizes Dr. Asch's case against the pipeline and the second paragraph really summarizes the whole case in favour of a measure of self-determination for native people achieved before any major development.

A Yes.

Q You might consider that and if you want to comment in panel four do so, but that's really the guts of Asch's testimony.

A Yes, yes. As Mr. Bell knows, I will be on panel four and I'll be glad to respond to your question at that time. I'm not wanting to be evasive at this point.

MR. BELL: I was interested in one reference you made in your evidence to native organizations, on page 15 of your direct testimony. The first complete paragraph, you say the years since

about 1969 to 1970 have seen at least a formal commitment to a new approach which might be termed a partnership developmental approach, involving a partnership between northern natives and the essentially white government. Examples of this new approach are many, and the first one you've cited is the willingness of the federal government to fund the organizational and operational expenses of the various native peoples organizations.

First of all, can you tell me, is this concept of the partnership developmental approach one that's widely accepted amongst -- in sociological circles?

C. Hobart
Cross-Exam by Bell

1 A I've not seen it used
2 elsewhere. I was attempting, as you know, in this
3 section to characterize different phases of the evolving
4 history, recent history of the Northwest Territories,
5 and thinking about what has been going on since, well,
6 '68 or '70, something like that, I think that to
7 characterize it as formal commitment and whether it
8 turns out to be in-depth commitment or not remains to
9 be seen. That seemed to me to be, well, an apt
10 characterization summing up some of the most significant
11 developments of this period. Clearly the decision of
12 the Federal Government to fund native organizations
13 has been a very consequential step. It has shaped
14 development of the last five years very heavily.

15 THE COMMISSIONER: Well, and
16 there's one you left out that you should have given the
17 Federal Government credit for. They agreed, as a matter
18 of principle, that they had an obligation to negotiate
19 a settlement of native land claims.

20 A Of course.

21 MR. BELL: Thank you. Those
22 are all the questions I have, sir.

23 MR. SCOTT: Mr. Bayly? Do you
24 intend to defer your questions?

25 MR. BAYLY: I prefer that I
26 could defer my cross-examination until the next appear-
27 ance of Dr. Hobart, sir. I prefer to do that, if that
28 is satisfactory to all.

29 THE COMMISSIONER: I think it will
30 give you an opportunity to compress your cross-examination.

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MR. SCOTT: Mrs. MacQuarrie?

MRS. MacQUARRIE: No questions.

CROSS-EXAMINATION BY MR. SCOTT:

Q Dr. Hobart, I have a number of, I hope, short questions that are designed initially to determine the extent to which you and Dr. Asch and Dr. Rushforth disagree, if at all, and I think the easy way to do it is to take their papers and read you sentences or paragraphs which I take it to be a summary of their position at various stages, and ask whether you agree or disagree, or whether you have any qualifications, and I'd like to begin doing that at page 3 of Dr. Asch's paper. I've misplaced the copy I've marked. I'll see if I can find it, and I seem to have misplaced -- well, I may have the copy after all.

At page 12 at the bottom, Dr. Asch, after reviewing the -- what he calls the economic history of the native people in this valley, and speaking of the fur trade period, says this:

"In summary then, it would appear that the regional economy was transformed by the new fur trade conditions from a total economy to one which relied both on local subsistence and the use of externally produced goods which were exchanged for furs. However, it is important to point out that this shift appears to have created no major changes in the internal dynamics of production and circulation within the native economy."

C. Hobart
Cross-Exam by Scott

Now first of all, do you agree with that general proposition, Dr. Asch speaking of that time and place?

A Basically I take some exception to the way he has used the term "dependency" and that is specifically relevant to here. He speaks of total economy as contrasted with dependency, and my argument would be that as early as native people became very dependent at all on guns and ammunition, as long as they lost their traditional skills in manufacture and use of bows and arrows and spears and those sorts of things, they -- the dependency process began in a very substantial way at that time. As early as they began depending on steel axes and knives they got away from the knowledge of how to chip stone in such a way as to shape knives and chopping tools out of them. Dependency began at that time.

Asch's testimony tends to say that dependency really did not begin until about 1871 or so when the Hudson's Bay bought out the Northwest Company -- no, when free traders began to come into the area. So that I think that the first part of that paragraph that you read constitutes exaggeration as I would say, that there was very much more of earlier dependency than his illusion to total economy here suggests.

Q So would it be correct to say then that you recognize, as he does, the development from a total economy to a dual economy, but that you would place -- but you would disagree with him

C. Hobart
Cross-exam by Scott

perhaps only marginally when he says that that shift did not create a change in the internal dynamics of the community, that you placed dependency arising at an earlier date than he does.

A Definitely.

Q Well then, --

A In terms of the effect on internal dynamics, I'd agree with him at that point, generally.

THE COMMISSIONER: Excuse me, just so I don't miss that, what is it that Dr. Hobart agrees with?

MR. SCOTT: Well, as I understand it -- Dr. Hobart, correct me if I'm wrong -- you agree with the observation of Dr. Asch that there was a movement from a total economy to what has been called a dual economy at least if not earlier, with the development of the fur trade, and that you agree with that as an observable fact. You have some qualifications about Dr. Asch's observation that the arrival of the dual economy involved no significant shift in the internal dynamics of production and circulation within the native economy.

A No, I don't think you've got it right. May I try again?

Q Sorry, yes.

A It seems to me that Dr. Asch downplays the impact of fur trading up until the time that the free traders came in on the scene, and what I'm saying is that the availability of firearms

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1 and the availability of steel tools really changed
2 the name of the resource-harvesting game, and they
3 could not thereafter very easily do without these new
4 tools, and because the old skills were lost within a
5 generation or so, I would add.

6 Now, those early fur-trading
7 days were exchange economy days. You traded in a sense
8 all your furs for all of the tools you needed. Those
9 tools were used to harvest furs to get more tools. They
10 were also used to harvest the subsistence resources,
11 meat. Meat was treated in the same way that it had
12 always been. The old sharing ethic continued to obtain,
13 so that this did not result in changes in the internal
14 dynamics. Do you see? The old patterns of relationships
15 persisted.

16 Q Well then --

17 THE COMMISSIONER: Excuse me,
18 Mr. Scott. Asch's, one of the main points of Asch's
19 thesis is that that internal dynamic, ^{though} diminished in
20 terms of its application, is still thriving so far as
21 the use of the bush and the sharing of meat obtained
22 from the bush is concerned.

23 A Yes. He is awfully close
24 to contradicting himself, it seems to me, because he
25 makes a rather big point of saying that when the
26 Federal Government began paying welfare cheques to
27 individual families, it undercut the old extended
28 sharing groups, and then he goes on to say, as it were,
29 "But these extended sharing groups are still
30 alive and strong, and we can revert right back

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Cross-Exam by Scott

1 to them,"

2 and it seems to me he over-stresses the latter point.

3 There has been --

4 Q Over-stresses the capacity
5 to revert to them?

6 A Exactly.

7 Q If reversion is the right
8 way of putting it.

9 A Yes.

10 Q But let me put it this way,
11 do you argue with his essential thesis that that
12 internal dynamic, the ethic of sharing has in fact
13 persisted in relationship to the obtaining of country
14 food and its distribution.

15 A Country food is still
16 generally shared.

17 MR. SCOTT: Q Well, stopping
18 at that point, do I understand that your major difference
19 with Dr. Asch up until page 12 at least is that you
20 place the phenomena of dependency as arising earlier
21 in time than he does?

22 A Yes. I'm not sure that I
23 have Asch's testimony well enough in mind to be able
24 to say that my major difference with Asch in those
25 first 12 pages is this.

26 Q But that is a major
27 difference.

28 A Yes.

29 Q All right. Well then he
30 comes on to discuss dependency and what it means, at page

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1 No. 17, and he says -- and I'm quoting:

2 "In sum then,"

3 that's at the bottom of the page:

4 "In sum then, I am suggesting that the
5 collapse of the fur trade and the concomitant
6 rise of governmental intervention in the
7 economic and social life of the people in the
8 region did not produce a qualitative shift in
9 the focus of the native economy away from its
10 reliance on both local subsistence and the
11 use of trade goods, though it is clear that
12 in more recent years the use of the latter has
13 become of increasing importance. However, it
14 would seem that the past 30 years has been an
15 era of marked change in the internal organization
16 of the economy, in that production and circulation
17 in the spheres of bush subsistence and cash
18 trade goods subsistence became virtually
19 independent of each other, thus creating what
20 is known as a dual economy. As well, government
21 policies introduced during the past 30 years have
22 themselves created fundamental changes in those
23 aspects of economic organization pertaining to
24 the size and composition of the self-sufficient
25 economic unit, mobility and travel, and perhaps
26 most importantly, contact with the bush on the
27 part of the younger generation."

28 Now, do you agree with that as a general statement, or
29 do you have any qualifications that you'd add to it?
30

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A Let me think about just
a minute please.

MR. STEEVES: There are a lot
of general statements in that, with great respect. Can't
we take it bit by bit rather than page by page?

MR. SCOTT: Well, Dr. Hobart
can take it any way he wants.

MR. STEEVES: O.K. Would you
like to take it bit by bit?

MR. SCOTT: Why don't you let
him decide, Mr. Steeves?

MR. STEEVES: Well, I am just
asking him, Mr. Scott.

MR. SCOTT: All right.

THE COMMISSIONER: I think
he is ignoring you both.

MR. STEEVES: Right. He's
right on there.

A I am confused by this
passage because I have difficulty following it at this
point. He is saying that the collapse of the fur trade
and so on did not produce a qualitative shift and then
he says:

"However, it would seem that the past 30 years has
been an area of marked change in the ..."
well, O.K. I guess I follow it. But the first part --
before the "however", no problems with that at all.
I think that there are psychological consequences there
that he ignores completely. That is, as long as these
people were trapping and producing their own income

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1 exclusively, they were not beholden to other people.
2 They were dependent on fur traders surely, but what
3 he points^{out} is that as that faded off then governmental
4 infusions which were less prideful in their consequences
5 resulted.

6 THE COMMISSIONER: Fxcuse me.

7 Let's just take that phrase again. "Governmental in-
8 fusions which were less prideful in their consequences".

9 A What I am trying to say
10 is that some of this was welfare money, others of it
11 were child allowance and old age --

12 Q Yes, yes. Yes, yes.

13 A And these picked up
14 the slack, but nevertheless it meant that local people
15 were not bringing home the bacon themselves to put it
16 one way. It meant that instead of being self-sufficient,
17 though dependent, they were no longer self-sufficient
18 though continually dependent and this lack of self-
19 sufficiency which is not absolute -- which varied in
20 different areas in different years of course -- was
21 quite different in its psychological consequences from
22 the earlier time when they were autonomous in terms of
23 their earning ability.

24 Q Yes. Right, I follow you
25 that far. Do you go along with the conclusion that
26 Asch reaches in that passage Mr. Scott read? That is
27 that the culmination of these events has been to establish
28 a dual economy -- a money economy and a bush economy?

29 A Yes. Yes. I think that's
30 accurate.

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MR. SCOTT:

Q Well then do I have your
-- the extent of your areas of disagreement with that
paragraph as you understand it?

A Yes, I would agree with
that paragraph generally. I think he leaves out some
other relevant aspects but that's fine.

Q Yes. Then on page 19
he's been summarizing what he calls the "framework" in
which he is going to deal with the specific problems,
and at the last and perhaps it ^{has} been covered in the
previous paragraph -- the last of the first paragraph
he says:

"Finally I provided evidence to show that the theme
of economic dependency in return --

THE COMMISSIONER: Excuse me
Mr. Scott.

A Where are you again sir?

MR. SCOTT: I am on page 19.

A How far down the page
please?

Q It's at the end of the
first paragraph on that page.

A Yes, I found it.

Q -- where he summarizes
and says:

"Finally I provided evidence to show that the
theme of economic dependency in return for immediate
material well-being has continued and indeed has
been deepened and made more visible by the inter-
vention of the government directly in the economic

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and social life of the people."

Do you accept that as a general statement of what has occurred?

A Yes, definitely. My only quarrel with the way he uses that theme generally is, as I said, that when people made the transition to steel tools and fire-arms, the dependence began at that point. I would further add that almost nowhere in the face of the world today are there to be found people who are not dependent on others. In fact, the price we pay for bread depends on what Russia's needs in our wheat are.

It's an interdependent world today, inescapably.

Q Well then, having established his framework, he goes on to deal with four or five, as you will recall -- four or five specific problems such as welfare and so on. I'd like to take you to the way he deals with wage labor on page 23.

It's three paragraphs and I would like to read them. They are rather long, but I think so that the issue can be examined, they should be read. He begins in the last paragraph:

"However with the rapid development of the north in recent years and the concomitant rise in the amount of consumer goods available, this situation..." He means the prevailing situation I think in which the dynamic existed -- has changed.

"Now there are many well paying seasonal jobs especially in oil and gas exploration. Given the

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1 nature of these jobs, virtually all go to young
2 men and at least in the case of Fort Wrigley,
3 overwhelmingly to unmarried ones. Thus, wealth
4 in terms of purchasing power has become concentrated
5 in the hands of those with the fewest economic
6 responsibilities. As a result, much of this income
7 is expended on personal luxury items or on socially
8 useless activities such as drinking parties.
9 Indeed, it would appear to some extent that the
10 problem of alcohol abuse itself may in part be
11 generated by the excesses generated through wage
12 labor.

13 In addition, the fact that payment goes to
14 individuals has helped to create a distinction
15 between the rich young who work for wages and the
16 seemingly poor young men who collect bush re-
17 sources for the family. Yet, given the ways in
18 which most wage generated income is spent, it is
19 clearly the latter's activities which are socially
20 more useful both to the individual family and to
21 the community as a whole.

22 In short, what I am saying is that in today's
23 circumstances, wage labor is often less of a
24 solution than it is a problem despite what the
25 industry sponsored studies say. For, on the one
26 hand it is acting as a subtle influence to change
27 values away from mutual sharing and towards individu-
28 alistic ones, and on the other it is concentrating
29 wealth in the hands of those who are least capable
30 or willing to use^{it} in socially useful ways while at

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the same time, helping to undermine the respect for others who perform socially more valuable labor such as that involved in bush collection."

Now, that's a long paragraph -- or a series of paragraph and you deal with it in any way you want. But, as I understand the thrust of that, it's not directed to any particular pipeline project. It's directed to wage labor per se. What it says in essence is that for those reasons, wage labor is not a solution, it's part of the problem.

THE COMMISSIONER: Seasonal wage labor.

MR. SCOTT: Seasonal, yes. To what extent to you agree or disagree with those observations?

A Well, I will break it up but give me just a minute please. The contrast that Asch is drawing in the first paragraph is between the earlier time when in effect, government transfer payments and the meager sources of wage income that were available roughly took up the slack that was left by the collapse of the fur market. In the more fortunate fur trading times -- during the Fur and Mission Period, basically, the fur market take was enough to keep the system going in terms of enabling people to purchase the tools the resource harvesting equipment, that they needed to keep the system perpetuating.

The government transfer payments took up that slack but there was apparently no surplus left over. So that what he is contrasting here is a

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time of sort of bare subsistence and perhaps I should not throw in "bare". Simply "merely" subsistence levels with a time when the living was a lot more lush. The paychecks were a lot larger and people had money to throw around by contrast with the time when ^{they} needed all of the cash that they could get their hands on either from the fur trade or later from the government transfer payments in order to keep the system going.

Now, he has concerns with what has happened in this more recent period. I guess my concerns -- and this is a sociologist talking to an anthropologist at this point and that is a bit unfair -- but he gives us no quantitative data at all. He makes some assertions that we have no ability to independently test ourselves. I don't know very much about Fort Wrigley, but I do know that there are permanent jobs there in connection with the school. There are permanent jobs there in connection with the co-op store. There are several permanent jobs there in connection with the weather station.

So that, there is -- there is money coming in from those permanent jobs. I think it would elucidate the issue here in terms of how much comes in from those sources versus how much is coming in and to whom from oil exploration employment and from Hire North employment.

He asserts that it is largely the unmarried ^{fellows} who have had this latter employment. The thing that we ought to know is the distribution of these two categories of jobs -- permanent settlement

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1 jobs and seasonal outside the settlement jobs among
2 married and among single people.

3 So that I wanted to make that
4 point. But beyond that, I wonder if Asch -- if he had
5 that really pretty frightening power -- would deny
6 to single men in Fort Wrigley the right to go out and
7 accept Hire North and oil exploration employment.
8 That would he really want to say, "Go back to the merely
9 subsistence level that government transfer payments
10 and the uncertain returns from the fur industry
11 qualified you for and --

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1 THE COMMISSIONER: Excuse me,
4 Dr. Hobart --

3 A That's the implication
4 of Asch's question.

5 Q Yes, I know.

6 And certainly Asch doesn't
7 have that power, so we don't have to worry about what
8 disposition he would think of if he did.

9 A Correct.

10 Q But, could I just put
11 this to you and ask you to think about it, the pipeline
12 may be required in the national interest, that's a
13 matter for the Government of Canada, and it may be
14 built on that ground, regardless what the consequences
15 are to the north. I shouldn't put it that way, but let's
16 suppose there is an overriding and compelling and unanswer-
17 able requirement of frontier gas in southern Canada,
18 then the government, to keep the wheels of industry
19 and homes heated in southern Canada will have to build
20 it and all that we will be concerned about here is
21 ameliorating the impact. Before they get to that
22 stage, before they decide, they want to know, what
23 will the social impact of pipeline construction, a gas
24 pipeline and their assumption is that if you build a
25 gas pipeline in this corridor, it will be followed by
26 an oil pipeline. We've been told by Mr. Horte that
27 there's a real likelihood that the gas pipeline will
28 be looped.

29 Now, you may have then a programme
30 of construction in the corridor that might last a decade

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1 or more. We've been told about the fears that native
2 people have of an influx of thousands of construction
3 workers from the south, but Mr. -- Dr. Asch has touched
4 upon a concern that has been expressed in the villages,
5 that is pipeline construction will take place in the
6 winter season, so it's a seasonal kind of employment.
7 In the nature of things, one would expect that it will
8 be mostly young men who are idle now, but will be
9 attracted to employment on the pipeline. I'm talking
10 about pipeline construction not the Nortran programme,
11 designed to fit people for employment, once it is
12 operating.

13
14 Now, Dr. Asch has suggested
15 that given the sovereignty of the consumer, the con-
16 sumer with some money in his hand, an awful lot of the
17 income, this is the way in which one would apply his
18 reasoning to the pipeline project, an awful lot of the
19 money that will be generated by way of wages on the
20 pipeline in the north will be spent on things that
21 do not have a great deal of social utility, if I can
22 lapse into the kind of language that is used by the
23 experts.

24 Now, putting to one side what
25 he says about Fort Wrigley, that's the fear that people
26 have about what will happen in this Valley. Now, Dr.
27 Asch doesn't have the power to decide these things, but
28 the federal government does and they may well say to
29 themselves, well, what's the social impact of this thing?
30 What will it mean to those villages? What will the

influence of all that cash be in those native villages on the Mackenzie? Now, that's one of the things that I hope all parties will in due course address themselves to.

A Might I make three points; in that respective?

Q Yes, please do -- and they're not -- you see, the federal government isn't then saying, well, we're not going to built a pipeline so everybody has to get back into the bush --

A right.

Q -- and live in skin tents, and you don't get any axes or guns or skidoos, you're on your own. I mean, no one's suggesting that.

A No, no. That the sorts of things that Dr. Asch has suggested and that you've alluded to here might happen, I would certainly agree. That is a definite possibility. That it will have to happen that way, I would certainly deny and what I want to do then is to mention three or four other kinds of things that have happened that I'm aware of and I have to range around fairly widely, if I may.

In Pond Inlet there has been significant employment of Pond Inlet men with Pan Arctic ever since 1971, I think. It was about then. The old share the meat, brought in by the hunters pattern obtained up until something like 18 months ago or something like that and at that point, the men who were into hunting sort of woke up and said, no more, we're going to sell our meat to the people who have the cash. We'll

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1 exchange some of our meat for some of their cash.

2 Now, the result of that then
3 is that some of the cash is drawn off and is recirculated
4 more largely in the village and I think that that kind
5 of thing probably will happen further.

6 In Pelly Bay, it has worked
7 out slightly differently and Pelly Bay has not had the
8 large cash inflow that Pond Inlet has had, but there
9 the local co-op, in part to eliminate the very heavy
10 wastage of seal meat that took place in that area
11 since there were no more dogs to feed the seal meat to,
12 and to solve some other problems that I could go into
13 if somebody wanted me to, they began a pattern of
14 buying seal carcasses and having the skins well fleshed,
15 which had been one of the problems earlier, the carcass
16 is butchered up, the meat put in the community deep
17 freeze and then resold at later times, during other
18 parts of the year when seal meat was in short supply.

19 Now, here then a co-operative
20 can step in as a middleman, buying up the hunters sur-
21 plus and selling it at later dates to people who are
22 in wage employment and want meat from that source.
23 That's another possibility.

24 Two points with respect to
25 Coppermine. I know that in Coppermine the practice of
26 giving cash gifts to relatives, small amounts no doubt,
27 but cash gifts to relatives was rather common, so that
28 some of the cash is diverted in that way and the
29 accounts varied, but during the first couple of years
30 of Coppermine employment, there were at least a couple

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1 of men who made their living exclusively by gambling
2 with the exploration workers, so that money was siphoned
3 off into other channels. One may or may not approve
4 of that method, but what I'm saying is that instead of
5 the bit oversimplified picture that Asch has suggested
6 here, other things happen such that the money does
7 get spread around and that does not eliminate some of
8 the unfortunate aspects of the picture.

9 Social change has been a
10 costly thing in human terms, in our ancestors and the
11 ancestors of everybody who has undergone very rapid
12 social change, all around the world. I don't question
13 that, but I think it is an oversimplified picture.

14 THE COMMISSIONER:

15 Right, thank you, thank
16 you.

17 MR. SCOTT:

18 Q Well, Dr. Hobart, I'd
19 like to zero in again on these paragraphs, because it
20 seems to me that they're the crux of what Dr. Asch says
21 when he concludes that wage employment is not the
22 solution, it's the problem and the bare bones of it,
23 as I understand it, are, he begins with the proposition
24 that in the -- and he talks of Wrigley, but then more
25 generally. He begins with the proposition that the
26 jobs in oil and gas exploration go to young unmarried
27 men. He then says there are two consequences from that,
28 first of all the money is found predominantly in the
29 hands of people without the economic responsibility.
30 That's the first consequence of that employment pattern.

The second consequence is

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1 the psychological one.

2 A Yes.

3 Q And that leads to the
4 problem that he characterizes as wage employment.

5 A M-hm.

6 Q Now, taking it step by
7 step, have you any information as to whether the
8 fundamental proposition -- the fundamental factual
9 proposition that he advances is correct, that seasonal
10 oil and gas exploration work goes to young unmarried
11 men in the community?

12 A I don't have any facts
13 on that. In effect I was asking a bit earlier -- I
14 was wishing that Asch had presented his own tabular
15 material.

16 See, it is certainly not true
17 I would bet, although I cannot say that I know in fact,
18 a Fort Wrigley married man, who was employed by Hire
19 North, I cannot say that. But, if no Fort Wrigley,
20 married man were ever hired by Hire North or Oil
21 Exploration I'd be awfully surprised. I think that is
22 extremely doubtful, so that the question becomes what
23 proportion.

24 With respect to Coppermine, I
25 do know that the Coppermine men -- married men were in
26 the majority. I know that when money begins to flow
27 more freely in a community there are pressures that
28 wives put on their husbands to get in there and bring
29 home some of that cash for us.

30 There was a fellow at Coppermine

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1 who quit, he'd had enough of this scene. The next
2 rotation, he was back. His wife had sort of put the
3 heat on him.

4 Now, you know, you may or
5 may not like that process but that sort of thing obviously
6 does go on and I'd be -- I'm speculating obviously, not
7 responding to your request for facts, but I submit
8 that this process probably goes on in Fort Wrigley as
9 well, and so we need to know that.

10 The main point I want to make
11 in response to your question is that the bulk of my
12 thesis has been, we've had a baby boom which is going
13 to continue and we have a large number of young people
14 who on the one hand have been unfitted for a trappers
15 life. The way the educational system is operated, they
16 don't have the skills.

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1 Q I understand your thesis
2 and I'll be coming to it in a moment. What I really want
3 you to do is to give us your comments on Dr. Asch's
4 thesis. He'll no doubt provide his on yours, but
5 I would like to hear what you say about his, and his
6 first proposition is about the employment pattern in the
7 oil and gas exploration industry. Do I understand your
8 answer to be that apart from Coppermine, I don't know
9 what the pattern is and I'd like to see Dr. Asch's
10 figures.

11 A Yes.

12 Q All right. Now, that's
13 the factual proposition. Based on it, he says, as an
14 anthropologist, I presume, that two things have followed
15 from that, that -- and the first is that the money
16 drawn to the communities by that wage employment has
17 gone to the wrong places, if I can use that expression.
18 Now, apart from what you said earlier about techniques
19 that you've observed of extending the circulation of
20 money in the community, have you anything else to say
21 about whether his general observation is correct?

22 A No, only that that
23 observation ought to be detailed.

24 Q Well then he goes on to
25 say that in addition to that, the fact of the payment
26 itself has helped to create a distinction between the
27 rich young and the poor young, and that the distinction
28 is a divisive one. What do you say about that?

29 A I think it's an over-
30 simplification again in the context of what I know about

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1 Coppermine, for example. In Coppermine, where a
2 who
3 man has a skidoo goes to work for an oil company, he
4 often buys a new skidoo and gives his old one to a
5 son or a younger brother, or somebody of that sort who
6 is not himself earning from oil exploration employment.
7 So that the effect then is to materially and psycholo-
8 gically improve the situation of others because of
9 these kind of spinoff developments. A related thing
10 is that the increased availability of skidoos in
11 Coppermine meant, and skidoos which were idle while
12 men were on-shift away in the delta, meant that these
13 idle skidoos or skidoos which they replaced were
14 often used by men who were in the village, to go out
15 and hunt, and the bag was then shared with the family
16 of the skidoo owner. So that what I'm saying then is
17 that although there is obviously a disparity between
18 a man who brings home a 500 or a \$1,000 pay cheque,
19 and somebody who doesn't, that disparity is mitigated
20 by these other things that I've been suggesting.

21 THE COMMISSIONER: Can I just
22 interrupt you, Mr. Scott, and you, Dr. Hobart, and just
23 offer a couple of thoughts that you all might think about
24 over the next week or so, and let me know your views?
25 I remember your evidence about Coppermine given at
26 Inuvik in January, and it was most interesting and
27 most helpful. The extent to which you can draw analo-
28 gies from the Coppermine experience to what would
29 occur if there were a pipeline project may be limited.
30 One has to be careful, because those people in Coppermine
31 are flown from Coppermine to the delta and then

C. Hobart
Cross-Exam by Scott

1 return and the impact is in a sense confined to first
2 of all the absences of those men, and then the return
3 laden with a certain amount of cash. But the village
4 itself isn't where the work is going on. It may be,
5 and I'm not asking you to comment on this, but I'd like
6 you all to think about it and tell me your views in
7 due course -- by "all of you" I mean the counsel and
8 their advisors -- it may be that Hire North bears
9 rather more resemblance to the kind of employment,
10 the length of employment, and the consequences of
11 employment on a pipeline project, pipeline construction.
12 I should think that the possibilities for making a
13 career in the industry are greater if you are working
14 on a rig, if you are doing the kind of work that
15 those Coppermine men are doing with the industry in the
16 delta. You can only make a career out of pipeline
17 construction if, when the project is finished, you're
18 willing to go to the next project, wherever it is, and
19 it may well be in Southern Canada or the United States
20 or in Arabia, or some place else. That's one thing
21 that might be -- that's one observation I'd like to
22 make.

23 The second observation, and
24 as I say, I'm not wedded to these notions, but I would
25 like all of you to think about them and tell me whether
26 I'm on the wrong track or not. The second observation is
27 this, with Hire North we have the kind of experience
28 with wage employment that Dr. Asch has warned about, that
29 is, people were drawn into the Hire North project and
30 then when the Federal Government decided it didn't have

C. Hobart
Cross-Exam by Scott

1 funds to complete the Mackenzie Highway, the Hire North
2 thing was curtailed. Now it's still going on, but I
3 gather in a diminishing form. It would be interesting
4 to know what happened to the young men from all over
5 the N.W.T. who could not continue in the employment of
6 Hire North, and to know something about their attitudes
7 towards Hire North in light of that.

8 That is Hire North may well
9 have shown us in miniature what happens when you mount
10 a project, employ a great many people, and after a
11 period of two or three years lay them all off. Now
12 they have kept Hire North going, by one means or
13 another, so it may be the analogy is only limited in
14 scope.

15 The third observation I
16 have to make is this, that in Hire North the wages are
17 what you call normal wages; but everything we've
18 heard indicates that a pipeline construction, the amounts
19 of cash that these people are going to have will be
20 very much greater than anything that those workers in
21 the delta have, and an awful lot greater than anybody
22 in Hire North is earning. I think you've got a panel
23 here from Alaska coming up, but subject to what they
24 may say and others may say, we're told, we've been
25 told by Magistrate Sprecker, I think his name was,
26 that a chambermaid working in a camp on the Alyeska
27 Pipeline makes \$2,200 a month after taxes, so the
28 welders and others are obviously making four and 5,000
29 a month. That's an awful lot more than those workers
30 from Coppermine make in the delta, it's an awful lot

C. Hobart
Cross-Exam by Scott

1 more than the young men employed at Hire North are
2 making, and that very much greater quantity of cash
3 may have an impact.

4 Now, I'm really just throwing
5 this out so you can all think about it, and let me
6 know what you think it all means. In other words,
7 these developments you've talked about the two gamblers
8 in Coppermine who rake off their share of the cash
9 gambling, and the gifts of cash that are made at
10 Coppermine, the sale of meat in Pond Inlet, and you
11 know, I'm following you there, I'm just wondering if
12 these adaptations to changing circumstances, the
13 interaction of the two economies that you've described,
14 if there will be time or an opportunity for that kind
15 of adjustment to be made with pipeline construction.

16 Well, sorry, Mr. Scott, but
17 these things are important.

18 M R. SCOTT: Q Dr. Hobart,
19 you've dealt with the factual proposition that is the
20 at the base of those paragraphs, and the two conclusions
21 that Dr. Asch draws from them, his ultimate conclusion
22 is contained in the third paragraph on page 24 where
23 he says that all that -- and I used that phrase to
24 summarize what he said before -- is acting
25 as a subtle influence to change values away from mutual
26 sharing and towards individualistic ones.

27 Now stopping right there,
28 do you have any observation about that conclusion, which
29 it seems to me is fundamental to the proposition that
30 wage employment is the problem?

C. Hobart
Cross-Exam by Scott

1 A Where on the page is it
2 again?

3 Q It's the third paragraph
4 on page 24. You set out the factual proposition on
5 which he relies about employment patterns. He has
6 dealt with the two consequences in the communities of
7 that kind of employment pattern, and then he says that
8 "All that has been a subtle influence changing
9 values away from the traditional values to
10 individualistic ones, ergo wage work is the
11 problem."

12 A Right. Before I do that
13 you cut me off at one point, and I want to enter one
14 thing. That is vis à vis his statement that wage
15 employment is less a solution than a problem. I
16 simply want to emphasize that it has problem aspects,
17 certainly, but I would argue it is more solution than
18 problem, vis à vis the employment needs of young
19 people. Now, you see, I want to register my disagree-
20 ment at that point and it's a point that I would
21 emphasize very heavily.

22 Q Yes.

23 A Are you following me?

24 Q Yes.

25 A O.K., now, with respect
26 to value changes, yes, I would certainly agree with
27 that. I think that the process of value change was
28 first set in motion very slowly, but was first set in
29 motion with the arrival of the first trader at Fort
30 Simpson in 1804, that it was like -- well, the impact

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1 at that point was minimal, was insignificant, but the
2 process began then that the process of providing formal
3 schooling, accelerated that massively, it broke up the
4 family, it made children unable to understand their
5 parents and parents unable to understand their children,
6 where parents had little of that kind of background and
7 children had been away to residential school for years.
8 As Asch points out, the government transfer payments
9 continued that policy, wage employment continues that
10 policy, I guess my own conclusion is that you cannot
11 maintain an idyllic state of natural man.
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C. Hobart
Cross-Exam by Scott

Q Well could I characterize the difference on that point between you and him and tell me if I am wrong, that you agree that the phenomena he has observed will have the consequence he spells out but you say it is a process already well under way?

A Already well under way and it would be stoppable in principle but the consequences of that would be even more harmful.

Q All right. Well now let me take you -- actually it is to page one, but it is the fundamental summary of what Dr. Asch says and he begins with the top and perhaps the language is a little strong, perhaps it is not. But I just want to ask in general terms whether you agree with it. That the -- I think he is speaking dominantly of the native people in the second paragraph on that page:

"1. The economic and social situation in the north today is characterized by the problems of high unemployment, high welfare, alcoholism, poor housing and racial tensions among other things."

Now, as a general statement would you accept that?

A As a general statement, there are important local variations.

Q Yes.

A That I think have to be emphasized. But that those things exist in much greater form than is typical of southern Canada, yes. Again, there are pockets in southern Canada which are much worse than pockets in the north. But yes.

Q Yes. Dr. Asch goes on to

C. Hobart
Cross-Exam by Scott

1 say that it is in the context of those problems that
2 we approach the proposed gas project and look at it.
3 He says in his last paragraph on the page that it is
4 his judgment that the project -- the developments
5 proposed by the petroleum corporations, at least in
6 their present form will not help in solving these
7 problems and indeed will almost certainly exacerbate
8 them.

9 Now, I am going to ask you
10 even though it isn't panel four to be a little more
11 direct than Mr. Bell insisted on. Do you see the
12 gas proposals as exacerbating those problems, as assisting
13 to solve them or as having no perceptible effects
14 on them whatever?

15 THE COMMISSIONER: The pipeline
16 project. That's what you are talking about?

17 MR. SCOTT: Yes.

18 A Yes. I think I really
19 have to defer answering that question until much of
20 the panel four material is out because it all depends
21 on how the thing is implemented obviously and Asch
22 wrote this before he had the benefit of seeing detailed
23 proposals, I assume, -- at least discussion of those
24 proposals and so I don't really feel I can responsibly
25 tackle that question.

26 Q Well why can you answer
27 that question next Tuesday but not today?

28 MR. STEEVES: Well because
29 it would take us a day to answer it. Do you want to
30 take the time now?

C. Hobart
Cross-Exam by Scott

1 MR. SCOTT: What I have heard
2 from Dr. Hobart and I understand it, his concern about
3 what he called yesterday, "the pool of young people
4 that will be created by the birth statistics and the
5 importance of finding some gainful" -- as you put it,
6 "some gainful work for them". What I am asking you
7 generally is in the face of this project, -- and I
8 presume you know as much about it now as you are going
9 to know on Tuesday --

10 A No. No, I don't.

11 Q You don't?

12 A No. You see, what I am
13 saying here is that I have some questions myself about
14 how certain things will be implemented. I have been
15 busy enough doing other things and so on that I have
16 not attempted to answer those questions for myself in
17 adequate detail.

18 Q Well, just so I will be
19 clear then, is it correct that as of today, you have
20 not drawn a conclusion with respect to the question I
21 have asked you, that this project will assist in solving
22 or exacerbate or have no effect on the problems?

23 A What I want to say is

24 1. I have questions which are not resolved in my mind
25 as of this time.

26 2. What I might say needs to be understood in the
27 context of what will be said further between now and
28 when I would prefer to answer the question.

29 I think it would be to nobody's
30 benefit then for me to attempt that at this time.

C. Hobart
Cross-Exam by Scott

Q Well it is certainly a tribute to you Dr. Hobart that you and the judge are the only persons in the room I presume who haven't drawn a conclusion one way or the other on this central issue. But do I understand that you are not prepared to say now -- or until panel four -- whether in your judgment the project, if it goes ahead will exacerbate as Dr. Asch says, assist in the solution of or have no affect on the problems we have discussed?

A Yes. Well, O.K. The answer is obviously both. It will exacerbate some undoubtedly. It will solve some undoubtedly. What the balance is depends upon how things are implemented.

Q All right.

A So that is not a very satisfying answer.

Q That is a fair answer and we will just pursue it for a moment if we may. What problems do you think it will exacerbate?

A Now, that kind of thing, getting into the detail depends upon other information.

Q Well what information do you want to have?

THE COMMISSIONER: Well excuse me Dr. Hobart. Do you want to hear from Arctic Gas's panel?

A Exactly. Exactly.

Q Then you will feel free to comment.

A Right. I have not looked

C. Hobart
Cross-Exam by Scott

1 over all of the subsequent testimony that will emerge.
2 I have not had time.

3 MR. SCOTT: Well, let me ask
4 you this just so we will be able to follow the Arctic
5 Gas case as it goes in. What sort of things do you
6 want to know?

7 A I think my central concern
8 is that if it was apparent that native people would
9 only get temporary wage employment benefits then my
10 response to this proposal would be "no way". My
11 concern then has to do with whatever development takes
12 place being a vehicle by which a certain proportion of
13 native people can establish themselves at various levels
14 in the society of the Northwest Territories.

15 Q So, do I understand from
16 that -- from your use of the words "temporary employment"
17 that if, upon reflection, you concluded or were told
18 that the pipeline project would offer seasonal employment
19 for a number of years which would not lead to permanent
20 wage employment in that or some other industry, you
21 would say "no way" to use your expression?

22 A Right.

23 Q Is there any other question
24 in this area that particularly concerns you apart from
25 that one?

26 MR. STEEVES: Surely that's
27 unfair. Why not let the witness hear the evidence and
28 then formulate what concerns him?

29 THE COMMISSIONER: Well, Dr.
Hobart said that was his central concern. If he wishes

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Cross-Exam by Scott

1 to add anything at this point he can. If he doesn't
wish to, I think we should let it go at that.

MR. SCOTT: Mr. Commissioner,
I want to know what Dr. Hobart for one thinks is
relevant and important. I recognize that he hasn't
made a judgment. I want to know what he thinks is
relevant and important so I will know what to ask these
other people on panel four about to help him make his
judgment.

10 I just wonder, ^{doctor,} if there is
11 any other area that particularly --

12 A O.K. Let me mention one
13 other and I simply have not made a list so that I'll
14 draw the line here if I may. That is, obviously the
15 issue of -- in the case of a pipeline -- how communities
16 would be buffered from the impact of southern transient
17 whites who come in to build that pipeline is a critical
18 one.

19 MR. BELL: Well sir, perhaps
20 we could ask Mr. Steeves if he has received the evidence
21 of panel four. It might help if we all had a chance
22 to look at it.

23 MR. STEEVES: It's not panel
24 four. I'm sorry. There's obviously a misunderstanding
25 here. Panel three, which was distributed I think last
26 Tuesday deals with a number of areas including the
27 impact -- employment during construction and the policies
28 of Arctic Gas as to a number of things that are troubling
29 Dr. Hobart. That has already been distributed. It's
30 not panel four that Dr. Hobart is exclusively concerned

C. Hobart
Cross-Exam by Scott

1 about. Do I understand you correctly?

2 A Yes.

3 MR. STEEVES:
4 It's also the evidence and

5 the cross-examination of panel three and you're not
6 required to anticipate what's going to come out in
7 cross-examination. Surely that's the point.

8 MR. SCOTT: Well I understand
9 I think what troubles Dr. Hobart. Now, the second
10 area of interest if I can put it that way Dr. Hobart,
11 recognizing you haven't drawn a list, is the ability
12 of the communities to be buffered from the project.

13 A Yes. So that I am saying
14 in brief there are short term impact considerations
15 where there may different kinds of buffering or not.
16 There are longer range considerations and I have concerns
17 at both levels.

18 Q Yes. Now, let me turn
19 to Dr. Rushforth's paper and --

20 A I don't have a copy of
21 that. Is there one around?

22 Q I'm sorry. Maybe Mr.
23 Steeves has one that he can -- First of all, you have
24 told us about your experience at Coppermine and generally
25 in that area. Where else have you worked and lived
26 in the project area?

27 A Well Coppermine is outside
28 the project area. But the people have in interest
29 because of rotation employment.

30 Q I understand.

31 A I have had a fair amount

C. Hobart
Cross-Exam by Scott

1 of experience in Inuvik and some other communities of
2 the delta over a period of 14 years now. I have visited
3 a number of the middle and upper Mackenzie settlements
4 at various times. But my familiarity with the situation
5 here is much more from reading the literature than
6 it is from personal experience.

7 Q You would recognize I
8 take it that there is a -- and every sociologist or
9 anthropologist no doubt has to recognize it -- but there
10 would be a difficulty in extrapolating from experience
11 in one part of the project areas to others.

12 A Sure.

13 Q And that your precise,
14 detailed and first-hand experience has been generally
15 in the delta?

16 A Definitely.

17 Q Yes and I take it that
18 without reliance on the literature, you wouldn't
19 extrapolate from that to middle Mackenzie communities
20 or upper Mackenzie communities?

21 A No, I would agree definitely.

22 Q Yes. Well now, with that
23 background, let's look at the conclusions of Professor
24 Rushforth's paper which are found on page 62 of the
25 transcribed evidence. He of course, as you will recall,
26 is speaking only of the Bear Lake people. First of
27 all, could I ask you--

C. Hobart
Cross-Exam by Scott

1 MR. STEEVES: I'm sorry, the
2 witness doesn't have that in front of him.

3 A Yes, I do. I got it
4 from Mr. Bell.

5 MR. STEEVES: I'm sorry, Mr. Scott.

6 MR. SCOTT: And before we turn
7 to the conclusions themselves, do you have any criticisms
8 of the methodology that Dr. Rushforth adopted in making
9 this analysis?

10 A I was more interested
11 in Asch's testimony than I was in Rushforth's, so that
12 Rushforth's is less clear in my mind. My reaction, as
13 I recall, is that from my perspective I could have
14 wished for some more quantification at certain points,
15 but generally I did not have the rather basic questions
16 of Rushforth that I did of Asch.

17 Q Well, before Mr. Bell
18 produces a letter from an American university giving
19 Dr. Rushforth an "A" on this paper, I take it that
20 we can safely assert that as far as you're concerned
21 at the moment you have no fundamental criticism of
22 the technique he's utilized.

23 A No.

24 Q All right. Now, if you
25 look at his conclusions which are numbered six, 1 through
26 6 on page 62, I take it that you have no basis on which
27 to found any conclusion -- any criticism of those
28 conclusions as they apply at Fort Franklin.

29 A Shall I just re-read those,
30 or do you want to read them out loud?

C. Hobart
Cross-Exam by Scott

1 Q Well, I'll read them
2 out loud.

3 1 The Bear Lake people continue to derive an
4 important amount of food and a substantial amount of
5 income from their land.

6 A Agreed.

7 Q
8 2. A high percentage of the Bear Lake people still
9 engage regularly in traditional land use activity.

10 A That would certainly
11 appear to be so, yes.

12 Q Yes.
13 3. The entire area of land, which was occupied by
14 their ancestors, is still used to some extent by the
15 Bear Lake people today.

16 A Yes, I can testify to that
17 in terms of my knowledge of the boundaries, but I would
18 buy his argument, yes.

19 Q
20 4. During the past five years as measured by the
21 indices in this paper, there has not been a general
22 downward trend in land use activities by the Bear
23 Lake people.

24 A Again it would appear to
25 be so from the information he presents.

26 Q Yes.

27 5. The Bear Lake people do obtain less of their
28 income from their land than did their ancestors 100
29 years ago. This fact, however, must be explained by
30 citing conditions imposed upon the Bear Lake people

C. Hobart
Cross-Exam by Scott

1 from outside of their socio-cultural system. You will
4 recall that what he says there is that the changes that
have occurred over that 100 years have resulted from
development of the north.

A Yes.

Q Do you agree with that
7 general proposition?

A Yes. I would add that
9 the external changes have a way of becoming internal-
10 ized, that is you don't want a color television set
11 until somebody outside the area invents it and shows
12 you what it's like; but after you see that you may
13 well want one. So that the things which are indeed
14 imposed may be embraced whole-heartedly, perhaps,
15 by local people

Q

17 6. The utility of various land use occupations to the
18 Bear Lake people should not be measured solely in
19 dollar income, there are other kinds of subjective
20 preferences which they associate with these traditional
21 cultural activities and there are tangible psychological
22 benefits derived by these people from their participation
23 in the Dene way of life.

A Very definitely.

Q All right. Now, do you
26 see -- do you have any reason -- let me put it this way.
27 Do you have any information which would lead to a
28 conclusion that one cannot extrapolate from this
29 study to other communities in the middle Mackenzie?

A Yes, I would simply

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Cross-Exam by Scott

1 point out that Fort Franklin is a more isolated
2 community than Fort Good Hope or Fort Norman, which are
3 in closer contact in commerce, with Norman Wells and
4 with Fort Simpson and with the delta and so on. So that
5 we have here, it seems to me, faintly a special case
6 because it's more in a backwater area. It has been
7 less impacted.

8 Q Well, that observation
9 about its physical location in relation to the corridor
10 that is the Mackenzie River and so forth, is geographi-
11 cal and I accept it. Do you know anything about whether
12 Fort Franklin itself has been less impacted than Fort
13 Good Hope, impacts being measured these days not only
14 in transportation terms but in television terms and
15 so on? Or is that speculative?

16 A I have some
17 data which I'll be commenting on in Panel 4, which
18 my recollection is, support this notion; but I don't
19 have those data at my fingertips and so all I can say
20 is I think that those data that I will be making
21 available would bear this out.

22 Q Well, is there any other
23 reason that leads you to believe the kind of conclu-
24 sion that Dr. Rushforth has drawn about Fort Franklin
25 could not be drawn about the native people of the other
26 middle Mackenzie communities?

27 A I'm sorry, any other
28 reason than what?

29 Q Than the one he's given.

30 A Yes, again not in terms

C. Hobart
Cross-Exam by Scott

1 of data that I am immediately aware of. I am quite
2 sure that one could get data on airplane flights
3 into communities, and that these would bear out the
4 sort of thing that I am saying I believe to be true.
5 But I've not sought to obtain and tabulate those
6 data.

7 Q Why would it be your
8 preliminary view, Dr. Hobart, that the number of air-
9 plane flights into a community would affect the
10 extent to which the people of the community subsist
11 from the land? I just don't see the necessary connection.

12 A Because the more people
13 from the community who go out and see other alternatives
14 and south-side goodies, if you will, the more motivated
15 they are to obtain the wherewithall to live a more
16 materialistic way of life, or more south-side. They
17 acquire southern wants in certain respects and they
18 then tend to move toward patterns of activity which
19 make it possible for them to obtain those wants.

20 Q Well --

21 A To gratify those wants.

22 Q -- that's the thesis that
23 I understand. Is there any study that supports that
24 thesis of which you are aware?

25 A I cannot think of a single
26 study which this shows conclusively; my reading of the
27 history of valley communities would support that
28 thesis, I would argue. What I mean to be saying there
29 is that there could well be disagreement from others.
30 But I think basically the history of contact between

C. Hobart
Cross-Exam by Scott

1 indigenous peoples and European extraction peoples
2 around the world generally tends to support that
3 thinking. Well, let's see, Margaret Mead did some very
4 interesting work with respect to the Manus Islands and
5 --

6 Q Where?

7 A The Manus Islands in
8 the South Pacific. Margaret Mead is a --

9 Q I know Margaret Mead, I
10 just didn't know the island.

11 A M-A-N-U-S. She did field
12 work there in the early '20s and she followed this
13 up in 1946 or so and the second book was entitled:

14 "New Life for Old."

15 The first book was entitled -- I've forgotten, I'm
16 sorry. But that, particularly the second book, shows
17 clearly that -- and indeed, to throw in just one
18 other example, you may have heard what anthropologists
19 call cargo cults. Cargo cults are religious cults
20 where, with appropriate ceremonial activity, native
21 people write out orders, chits of paper and launch these
22 in some way in the hope that these paper orders will
23 bring ships disgorging loads of material goods in
24 ways that U.S. ships during World War II in response
25 to orders sent away, disgorged these loads of material
26 did.

27 Q I presume, doctor, that
28 those cargo cults don't abandon their subsistence way
29 of life until the ships come in, do they?

30 (LAUGHTER)

C. Hobart
Cross-Exam by Scott

THE COMMISSIONER: I'm assuming
that it's getting close to coffee time.

MR. SCOTT: I think it's getting

THE COMMISSIONER: Lunch time.

MR. SCOTT: 25 to one.

THE COMMISSIONER: 25 to one?
complete
Are we in a position to ' your cross-examination
this morning?

MR. SCOTT: No sir.

THE COMMISSIONER: All right.

Well, Mr. Trusty, we'll get to him early this afternoon,
I take it. All right, we'll adjourn to two then.

(PROCEEDINGS ADJOURNED TO 2 P.M.)

C. Hobart
Cross-Exam by Scott

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. SCOTT:

Q Dr. Hobart, could I ask you to turn to your transcribed evidence, page 13. Would you refer to the last paragraph on that page in which you say, 'the resulting precipitous acculturation, which you previously described, 'is seen in the tendency of most natives in the Territories to discard native canoes and kayaks, tools of native design of any kind and dog teams in some areas, long before comparably situated native peoples in Alaska and Greenland did so. It must be noted that the period of intensive contact with whites was typically as long or longer for the Greenland and Alaska natives than is the case with native peoples of the Northwest Territories.

However, the contact among the former was not as massively destructive of appreciation for things native, as it has been among the Canadian Inuit and Dene.

Now, the question that that paragraph poses is why is that so? Why is it that acculturation, the process that you have described among the Dene and Inuit has proceeded much more expeditiously and has had much more fundamental effect than it did in Greenland and Alaska, even though the period of contact in those two places has been longer?

A I'm not sure I'd use the word expeditious. Well, okay, expeditiously -- simply, speedily.

Q Yes.

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Cross-Exam by Scott

1 A What happened in Alaska
2 and in Greenland both, I think, was that there were
3 fairly lengthy early periods where the dependency of
4 whites on native skills and native technology, native
5 tools and so on was amply demonstrated to native people,

6 Let me take Alaskan whaling
7 practice as an example. When white whalers first began
8 whaling from shore stations, along the Arctic Slope from
9 Point Hope north on Alaska, they used wooden whaling
10 boats, the kind that they were used to. Eventually they
11 discovered that the native skin boats, the oomiak, were
12 simply much better suited to hunting whales from the
13 shore in that context, than were the wooden boats, and
14 the result was that I was in that area in 1964, I guess
15 it was, oomiaks were still in use, they were still being
16 constructed and repaired in the old traditional way.
17 That is, the women got large seal skins, fleshed them,
18 sewed the skins together and stretched the skin covering
19 over the oomiak boat in 1964, just as they had been
20 doing for hundreds if not thousands of -- if not a
21 thousand or more years.

22 Now, what I'm saying then,
23 is that with the gradual contact, they could appreciate
24 the value of traditional procedures and tools, whereas
25 what happened in the Canadian Arctic, typically, I think,
26 was that this kind of intensive contact came later and
27 swamped people, so that their ability to critically
28 differentiate between what was useful in white technology
29 and tools and what was useful in traditional technology
30 and tools was lost. They wound up all too often throwing

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1 the baby out with the bath, as the saying goes.

2 Q So, the point of distinc-
3 tion is the intensity with which the contact occurred
4 in the Canadian north as opposed to Alaska?

5 A Right.

6 Q Well now, in Alaska, the
7 moderate pace at which the contact occurred, allowed
8 native people, if I understand you correctly, to make
9 a selection, an informed selection as to which of their
10 traditions were preservable and which -- or useful and
11 which white habits were useful.

12 Now, is it not possible that
13 notwithstanding the events that have occurred in the
14 Canadian north, that process may be beginning among
15 native people in the Canadian north?

16 A Yes, yes. My own judge-
17 ment, and this is an opinion obviously, would be that
18 the corner was turned in the Canadian Arctic around
19 1960 and that there simply is no going back. I'd
20 personally be interested in hearing what Dr. Asch would
21 say in terms of detailing native institutions, which
22 he suggests are still alive and viable. He talks about
23 the impact of government programmes on the family, it's
24 obvious that the church did away with traditional
25 religious practices a long time ago. The local band
26 that -- or local group, I guess is the term that Dr.
27 Asch uses, is obviously no longer a reality, there are
28 vestiges of it to be seen -- well, I'm more aware of
29 this, in the Inuit areas than I am in Indian areas, in

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1 some of the continuing conflict that exist between
2 remnants of these groups, which have moved into the
3 same settlement.
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1 THE COMMISSIONER: Local
2 hunting groups.

3 A Yes, he refers to the
4 local groups of pre-contact times, groups of 20 to 30.
5 So that the most obvious point to be made with respect
6 to continuity is the sharing practices, and there are
7 obviously skills in terms of movement on the land in
8 winter and tracking animals and that sort of thing.
9 But I am at a loss personally to detail very extensively
10 survival of traditional institutional practices which
11 Dr. Asch does make reference to.

12 MR. SCOTT: Q So that in that
13 context, to summarize it in layman's terms, you would
14 see the native people of northern Canada as having
15 crossed the Rubicon of acculturation and Dr. Asch ,
16 as appears from his paper, thinks that they're not yet
17 at that -- beyond that critical stage.

18 A Yes, I think that's a
19 fundamental difference. Now the question as to the
20 pace of change from here on out is yet a relevant
21 one and the trade-offs there are those kinds of con-
22 cerns versus concerns for adequate employment and so
23 on.

24 Q Well, there's a sentence
25 in your transcript at page No.16 that strikes me as
26 inconsistent at first glance, at least, with that view,
27 in the last paragraph before the new heading, after
28 you've dealt with what you call the partnership approach
29 you say:

"While the long-lasting consequences of this

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1 new stage,"
2 and that's the partnership development approach,
3 "will be only time can tell. However, we can
4 be very sure,"
5 and I take it you're telling us there's no doubt --

6 A Yes.

7 Q -- at this time that one
8 consequence is definitely a new and much more prideful
9 sense of native identity and a new sense of purpose, and
10 of determination to achieve goals which had been set.

11 A Yes.

12 Q Now, isn't it possible
13 that that pretty clear certainty which you set out
14 indicates that perhaps the Rubicon is not being
15 crossed?

16 A No, I think that we're
17 talking about two different issues. On the one hand
18 we're talking about survival of traditional institu-
19 tions and that sort of thing. On the other hand, here
20 I'm talking about a peoples' appreciation of them-
21 selves, how high they hold their heads in the presence
22 of other people, that sort of thing; and there is no
23 necessary relationship between those two conceptions
24 or those two dimensions at all.

25 In the case of Alaskan natives
26 for example, I think that the slower pace which we were
27 talking about a short while ago resulted in more con-
28 tinuity of pride in selves than has existed in the
29 Canadian Arctic. In the Canadian Arctic, it seems to
me, we've had a U-shaped development so that well in

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1 '63, I guess it was, I had and I specifically remember
2 one man in Gjoa Haven saying to me, "White man good,
3 Eskimo no good".

4 I doubt that you'd find -- well,
5 I don't know where you'd look in the Territories today
6 to find somebody who would make that kind of statement,
7 and thank God for that, obviously. What I'm saying
8 here then is the consequence of these recent developments
9 has been to tend to discredit and reverse that "white
10 man good, Eskimo no good" kind of sentiment, which while
11 around the Gjoa Haven area and to a lesser extent
12 perhaps in the delta, was not that uncommon along 12
13 and more years ago.

14 Q But doctor, doesn't that
15 have an effect on the ability of a people to identify
16 first, and secondly preserve and utilize their tradi-
17 tional way?

18 A I would say not necessarily.
19 I think the sense that they know what they want and
20 they are able to achieve that, that is far more important
21 I think, than the continuity with the past. To know
22 who they are in terms of the past, I would agree that's
23 important; but to be able to practice skills that
24 simply are no longer relevant, to perpetuate social
25 relationships which had important survival significance
26 earlier but no longer have important survival signifi-
27 cance under the conditions of life that people know
today, I think there's nothing to be said for that
intrinsically.

Q Well, you see, I'm not
talking about

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1 using old and outmoded tools, I'm really talking, as
2 I hope you are, about the maintenance and utilization
3 of native social and cultural institutions, the way
4 they live as people in communities. So we understand
5 we're both talking about that.

6 A Right.

7 Q O.K. Well now, it seems
8 to me that up until about the middle of the 1960s you
9 and Dr. Asch, apart from differences of emphasis,
10 are not really very far apart in analyzing what's happen-
11 ed. Perhaps I shouldn't ask you to agree to that,
12 the transcript will speak for itself.

13 A Yes. You went too far
14 in that statement from my perspective.

15 Q Well, you're closer than
16 I at first anticipated. Let me put it that way.

17 A We agree on some things,
18 definitely.

19 Q All right, and then what
20 happens is this, that both of you attempt to predict the
21 future, to a certain extent, based on what is known
22 at that point of time, and the difficulty that I have
23 with your analysis is that it seems to me that it
24 doesn't take any account -- and perhaps it shouldn't --
25 but it doesn't take any account of what you call this
26 certainty, a more prideful sense of native identity,
27 a new sense of purpose, and a determination to achieve
28 goals which they have set. Isn't that a new factor
29 that developed in the '70s that may fundamentally alter
30 one's ability to predict the future?

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Cross-Exam by Scott

A Well, let me make several comments. I wouldn't have said that I was predicting the future. What I have been talking about is the past and the present and I have been talking about what seems to me to be the best course of action -- or -- no, not even that. I have been pointing to needs which I feel must be dealt with -- employment needs most importantly in the immediate and the longer range future.

Now, this thing which I have called attention to here basically means I would say that native people in the Territories were bull-dogged. They were on the run in a sense. They were snowed. They were confused. That sort of thing up until the '70's. Since that time they have begun to get it together in very significant ways, and the consequence of that is that instead of being as it were, at the mercy of whatever program came along, they have been saying, "Hey, wait a minute. We have relevant views and we insist on an input."

Now, that means that instead of being purely dependent variables reacting, they become a part of the formula that is shaping the present and the future.

Now, let's see. I have a feeling of not having directly addressed your latter point -- that I have lost sight of the point.

Q No, but the point I make is that phenomena which you and Asch have both observed, isn't it realistically conceivable that that may alter the mix in such a way that what one might have predicted

C. Hobart
Cross-Exam by Scott

1 from the studies of 1960 will no longer be true?

2 A Yes. I would agree to
3 the extent that this new sense of pride and identity
4 will undoubtedly seize upon certain symbols, just as
5 if you will, the nation sense of Canadian identity
6 from -- well which crystallized around five or more
7 years ago -- crystallized around certain emergence
8 symbols of Canadian identity. Do you follow what I am
9 trying to say there?

10 But that fact does not contra-
11 dict or eliminate certain basic economic realities.
12 I guess at this point I am orienting toward those
13 economic realities. It does not eliminate certain
14 basic demographic realities -- the carrying power of
15 the land. I think it could probably be demonstrated
16 that the land simply lacks the carrying power to support
17 the kinds of population that, the size of the population
18 that are rapidly emerging, native population, rapidly
19 emerging in the Territories today.

20 Q Well now, one slightly
21 different matter -- in your paper, I have observed
22 that there -- and perhaps it was intended -- I have
23 observed that there is no reference to -- the paper is
24 really an economic or primarily an economic analysis.
25 There appears to be little analysis of the social
26 traditions of the communities as such. Would you accept
27 that as a fair comment?

28 A Yes. Yes. Dr. Helm,
29 Dr. Stager to some extent, Dr. Asch also talked extensive-
30 ly and very accurately about the social organization of

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1 traditional native groups. The question of interest
2 is what features of that traditional institutional
3 and social organizational life of these people survives
4 in healthy form to the present.

5 Asch makes a number of strong
6 assertions that it survives in healthy form although
7 he contradicts that with respect explicitly to what
8 he says about the family, for example. It is obviously
9 contradicted in terms of the fact ^{that} native people all over
10 the Territories are at least nominally Christian now
11 for example.

12 So that my opinion on the
13 matter then would be that in terms of a sense of native
14 identity, that obviously persists entirely unqualified.
15 In terms of certain aspects of much more communalism
16 than is characteristic of southern white culture. That
17 persists. Beyond that, I would be at a loss to indicate
18 what -- well, I suppose I would add also that certainly
19 there are traditions of consensus in decision making.
20 But the thing that I wonder personally is as a native
21 community becomes more heterogeneous, as there are
22 people whose economic vested interests lie in many
23 different directions, to what extent is that old
24 consensus decision making pattern which was found at
25 a time when everybody made their living in the same
26 way -- the vested interests were all identical --to
27 what extent that pattern will be able to survive the
28 diversity which is characteristic of modernization.

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Q I think Dr. Asch makes the point of distinction on page two of his paper, where he explains why he differs from the view of others, and he criticizes the view of others in the second full paragraph when he says that they have analyzed the situation on the basis that northern natives are fundamentally just poor people who happen to be native. That they tend to ignore historical and cultural factors.

Now, do you -- are you telling us that those cultural factors are so difficult to place or to establish that one takes no account of them or no substantial account?

A No. Let me say this much, that there's no particular difficulty in establishing them, I think. The ethnographic record is quite adequately complete at this point. The points of contradictory evidence that I would cite are two; one, Dr. Honigmann's analysis of the situation in the delta, in terms of a frontier culture, which he says ^{is} distinctly an amalgum of certain white components and certain traditional cultural components, that's the first point at variance with what Asch is saying here, that is that there is a new emergence phenomenon which has roots in the traditional but has to be understood in its own terms.

The other point of contradiction is in Smith's data on the occupational preferences of young people, where he points out that it's place of schooling which appears to account for variation, rather than culture of origin, of the respondents to

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his questionnaire, which explains why they chose as they did.

Now, as I've said, I'm not the expert on detailed aspects of the middle Mackenzie that Dr. Asch certainly is, but in his testimony, he makes assertions, but he does not detail them. The important point for this Commission, I would think, would be for him to detail in what specific ways there is survival of the traditional institutions.

Q No, but you may be perfectly right, you may be perfectly wrong. I'm simply trying to analyze the points of difference --

A Yes.

Q -- insofar as we can. Without putting too fine a point on it, wouldn't you agree that your approach has been fundamentally to analyze the problem of native people who are poor people who happen to be native?

A No, no, I wouldn't say that. I would say that I started out looking, and it's apparent in the way my testimony was put together. I began with the historical and then I went on to the cultural, and then I went on to the social inter-actional, and then to the demographic and not until then did I get around to the economic.

So, -- so that sociologists -- I don't mean this snidely, sociologists are not economists, they are interested in cultural influences and in social inter-actional influences. It's simply that my reading and in part, it may well be because of

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Cross Exam by Scott

my greater familiarity with the Inuit and the delta scene. My reading is that there is not the kind of very large scale survival of traditional institutional arrangements that Asch said does exist.

Q Well, I won't press on this much longer, but leaving the economic questions aside.

A Yes.

Q How we get the gainful employment for this pool of young people.

A Yes.

Q What are the cultural or social values that you think are capable, if any, of being preserved? Now, Asch may be right or wrong, but he's outlined some of them. I wonder if you think there are any, and if there are, what they are?

A Well, the main issue, there is preserved under what conditions? That is, if we could press a button and reinstitute the fur and mission era, why a lot of things would be preservable which are not preservable, at a time when substantial portions of the heads of households in settlements are in wage employment.

Q Well, what cultural or social values if any, are preservable today, or can you think of any?

A And again I have to ask, do you mean preservable in Colville Lake, or do you mean preservable in Fort Simpson or do you mean preservable in Yellowknife? Those are all -- you know, I'm not

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1 trying to be difficult, those are simply very different
2 kinds of ballgames.

3 Q No, but obviously every
4 community is different, but can you pinpoint, in your
5 view, the values, if any, that can be preserved today,
6 recognizing that they may exist now in more pronounced
7 form in Colville Lake than in some other place?

8 A Yes, well, I can do --

9 Q What should we be looking
10 at in the existing social and cultural situation that
11 is capable of being preserved?

12 A Yes. I cannot respond
13 to that, I'm sorry, except in terms of different
14 scenarios, and in the Colville Lake context, why every-
15 thing that I mentioned is indefinitely preservable,
16 as long as Colville Lake remains the kind of community
17 that it now is and which is described in a number of
18 the things that I've read recently and I'm not sure
19 just what those sources were.

20 In Fort Simpson, well, let
21 me take Fort Simpson as a kind of an example here and
22 I've got to be a bit more detailed. Insofar as it is
23 possible to set up rotation employment schemes, or
24 let's say short work week sorts of schemes, where
25 people work three days a week or four days a week and
26 those sorts of arrangements have certainly been worked
27 out in numbers of jobs in the south. Under those
28 circumstances, then the opportunity to continue to
29 exploit resources from the land is unjeopardized, and
30 to the extent that that access to the land is generally

available, then the kind of thing that has happened in Pond Inlet, let's sell our meat from hunting, rather than freely share it, as has been done in the past. That kind of a pattern could survive, if people were locked into 9 to 5 jobs, people who work, were locked into 9 to 5 jobs, 6 days a week, 52 weeks out of the year, I think that that would not survive, that there would be, in effect, a division, an emerging crystalization of division of labour between those who harvest the resources of the land and those who are engaged in wage work in the city, so that the hunters become, in a sense, analogous to the farmers of the north, who sell the product of their efforts to people who have the money to pay for it.

Q I have one or two matters before I'm finished that I would like to turn to. The next is at page 23, where you deal with Parson's research in segregated communities.

A Right.

Q And the point that Parsons makes, as I understand it, that you adopt, is that white in communities, tend to enforce their perceptions of native people.

A They tend to reinforce them on each other, and they tend to perpetuate them, because any new white arrival in the north experiences a certain amount of shock of various kinds. Culture shock, a climatic shock and that sort of thing.

The new arrivals look to the old timers for cueing as to what the name of the game

C. Hobart
Cross-Exam by Scott

1 is here, the kinds of definitions to be placed on
2 various aspects of the new reality that confronts them.
3 The result of this kind of orientation, then, that the
4 old timers give to the new arrivals is to pass these
5 pejorative definitions on to new arrivals.
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C. Hobart
Cross-Exam by Scott

1 Q Yes, and as Parsons
2 puts it, the new arrivals without any pre-
3 conceptions, look to the existing white community to
4 adopt their conceptions and become contaminated by them,
5 as he puts it. He's used the word "contaminated".

6 A Yes.

7 Q Now, I take it that it's
8 clear from that that in-migration of white workers and
9 and white towns people, if not controlled in some
10 fashion, is going to heighten the de facto segregation
11 and the de facto perceptions of native people that
12 already exist.

13 A No, you said too much
14 when you said that. A distinction needs to be drawn
15 and I've said this before, my apologies for reiterating
16 it. There is a distinction to be drawn between the
17 professionals in the helping professions who need
18 clients, and their clients in the north are typically
19 native clients, so their perceptions of natives are
20 people who need our advice, our help, our fatherly
21 protectiveness, that sort of thing.

22 Q But Parsons doesn't
23 conclude that, does he? That may be your own observation
24 but that's not something that Parsons concludes.

25 A No, I think he does,
26 unless my memory is failing me, and I don't think it is.
27 He points out that it is the higher status people,
28 higher status whites rather than the lower status whites
29 and the longer resident whites rather than the shorter
30 resident whites who are the more prejudiced in these

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1 terms.

2 Q Yes, but he also makes
3 the point, does he not, that the white newcomer, without
4 perceptions about native people, looks to the existing
5 community and naturally and quickly absorbs their
6 perceptions unless steps are taken.

7 A Right, but perhaps let
8 me spell out the process. Workers, white workers
9 working alongside of native workers in egalitarian
10 kinds of situations get to know them as people, their
11 strength and their weaknesses and so on, and as I
12 said, I can back that up in terms of material from
13 Nortran and from Gulf employment, and from Pan Arctic
14 employment.

15 Q Well, maybe you can but
16 Parsons doesn't say that, does he?

17 A See, I want to contrast
18 that with the situation of professional helpers who
19 do not interact with native people in egalitarian
20 terms. They interact as great white fathers who are
21 providing this or that service for people who, the
22 implication is, could not adequately get by without the
23 service that is being provided. So that the interaction
24 of the higher status, professional helpers with native
25 people is inescapably pejorative. The interaction of
26 workers at the same level is basically egalitarian, and
27 that it is which creates and perpetuates stereotypes.

28 Q You see, Dr. Hobart,
29 what I'm trying to do in this paragraph is I'm trying
30 to separate what you draw from Parsons and what you

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1 concluded yourself.

2 A Right.

3 Q And when you come down
4 to a third of the way down, I think we probably agree
5 or if we don't we can refer to Parsons on the other
6 side, but when you come down and say,

7 "Only increased collegial and co-worker
8 relations will set in motion the counter-
9 influences of mutual understanding, appreciation
10 and respect."

11 A That's me.

12 Q That's you, right, and
13 it's inconsistent with Parsons.

14 A No, it's not.

15 Q Parsons, in the last
16 sentence of the summary says this:

17 "However, the work of investigators demonstrate that
18 ethnic stereotypes are extremely persistent in
19 many social contexts, and it would be unrealistic
20 to suggest that any educational measures to
21 eliminate them could be more than marginally
22 successful except over a very long span of
23 time."

24 A Agreed. I don't quarrel
25 with that statement at all. I'm not talking about
26 education, I'm talking about living with people eight
27 hours a day, 40 hours a week on the job. That's not
28 education.

29 Q Let me just -- I should
30 be fair to you. Dr. Parsons, and I'm reading from the

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summary and conclusions, which is chapter 7 of his report, deals with the problem of white in-migrants to work on government projects in the north and he begins this paragraph by saying that:

"Programs will have to be developed to instill in new recruits an awareness of the mechanisms of contamination,"

and contamination is the process that you've described whereby they absorb the prejudices of their white peers, and he then goes on to say that that process isn't going to work except over a very long span of time.

A O.K., let me respond.

Q Well, you agree that that's his conclusion?

A Yes.

THE COMMISSIONER: If you're reading from it --

MR. STEEVES: Why don't you show the document to him?

A Now, what I want to do is to say that Parsons did that work in '64 or '65. Was he in Inuvik in '66? O.K., well that weakens my point slightly but not very much. The point I want to make is that the practice of employing native and white people at the same job levels was really rare up until the exploration employment came along, and so what I'm suggesting then is that Parsons did not have a chance to observe this egalitarian interaction on-the-job thing that I am emphasizing in my discussion

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1 here. It was very much more one-sided and in the
2 one-sided situation the corrective process that I am
3 suggesting here takes place very minimally, so that
4 he was right in terms of the phenomena available to
5 him for observation, but the situation has become more
6 varied and more varied in its consequences in the
7 years since he wrote.

8 MR. SCOTT: Q And I take it
9 then that that conclusion is based on your Coppermine
10 study.

11 A It's based -- well, it's
12 based equally on Nortran and that has to do with
13 native trainees in the south primarily, in Alberta almost
14 exclusively, and Coppermine -- and to a lesser extent --
15 well, I was at Strathcona Mine talking to foremen and
16 these were foremen of native workers, I talked to all
17 of the foremen who supervised natives there at
18 Strathcona Mine, and this was in September of last year,
19 and every one of them had a strong appreciation and in
20 the case of one or two, it was a glowing appreciation
21 of the work abilities of the Inuit fellows whom they
22 were supervising, so that the point there is that it's
23 not simply dominance in submission. That is who is
24 over whom, but it's the foremen I was talking to were
25 not dishing out help, they were supervising the work
26 of native people but native people were not in kind of
27 a handout situation.

Q Well, your proposal then
is to develop this collegiality on the job. Are you in
a position now or will you be in Panel 4 to spell out

C. Hobart
Cross-Exam by Scott

1 in more detail what is contemplated by that?

2 A I'll be in a position to
3 comment on it, yes.

4 Q All right. Well, what I
5 would like to get in Panel 4 from you, if I can, is
6 your views about how that phenomena that Parsons has
7 described can be stemmed, and in more general terms,
8 whether you're still satisfied that this colleagiality
9 on the job is the desirable force rather than separate
10 work partners, which is another alternative.

11 Well now, given the visibility
12 in there, the viability and the reality of the dual
13 economy, is it not important to ask, that economy existing
14 in many communities in the Mackenzie Valley, is it not
15 important to ask what kind of employment best permits
16 integration of wage employment on the one hand with
17 traditional subsistence activities?

18 A Sure.

19 Q And do you know of any
20 work that's been done on that subject in determining
21 the kind of employment that is best suited for existence
22 side by side with subsistence activities?

23 A I cannot think of any
24 studies that have focused explicitly on that. I've
25 recently done some work for the Territorial Government
26 which has not been released yet. It related to alternative
27 rotation intervals, so that I've done a fair amount of
28 thinking about that and out of that thinking I would
29 suggest that if -- well, as I said before, if you lock
30 people into 9 to 5 jobs, five days a week, 52 weeks out

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1 the year, their opportunity to involve themselves
2 in the second land-based economy is very badly jeopard-
3 ized. If you can have rotation arrangements and/or
4 can hire people out of labor pools so that one guy
5 works in effect half of the year, but every other
6 shift, as it were, and a second worker works the
7 alternate shifts, at that point it's possible to have
8 both. My reading of that literature which I quoted
9 extensively from toward the end of my economic section
10 is that that's really where an awful lot of native
11 people were at, at the time that the authors of those
12 studies obtained their data, and I guess my feeling is
13 that that is yet where an awful lot of those people
14 yet are. I wouldn't want to push that too far because
15 that means that their opportunity to advance up the
16 ladder is limited. That is, you can work that rotation
17 for hiring out of a labor pool up to a certain skill
18 level, but beyond that the requirements of well, Canadian
19 employment life as currently constituted at any rate,
20 are that the same people are on the job day after
21 day after day. So that I think we very badly need
22 adequate flexibility so that we don't lock people into
23 the lower level jobs which are appropriate to rotation
24 schedules and work pools, where those things in fact are
25 highly desirable, but to say in effect, "We slap a
26 ceiling on above that and you're going to have a great
27 deal of difficulty penetrating that ceiling."

Q Well, it's the case for
e of the native organizations that the wage
economy and the subsistence life-style can be most
easily and practically welded together if one concentrates
on the development of local community projects as opposed
to the construction of a trans-continental work which
crosses the Territories. Have you got any thoughts
about that?

A Yes. I would agree that
that's one good way to do it. Well, let me describe
just briefly that the rotation schedule at a mine at
Rabbit Lake, Saskatchewan which is a situation basically
where people yo-yo in, work seven days twelve hours a
day. At the end of that seven days, they have accumulated
84 hours of work time. Then they go home and they
have the next week off. The following week then they
come back so they are on a week and off a week. That
kind of a rotation schedule would be applicable to a
lot of different jobs and as far as that goes, work
seven days for twelve hours a day, that might be
applicable to certain kinds of employment in the home
settlement or in commuting distance from the home
settlement.

I think that that kind of thing
offers another possibility which is deserving of
very serious consideration for example. There are
other variations on that. Let's see, in the context of
this other report, it turns out that if you have people
who work 14 day schedules 12 hours a day, you can give
them one week off at the end of every 14 days and at the

end of seven work schedules, they can take two months off and not lose income thereby doing. That is, what they have done is simply to save up a week. Instead of getting two weeks off after two weeks of work, they get one week off, they save the extra week up and they can take a longer break in the spring or in the fall or whatever.

Basically, I am saying that there are numbers of alternatives in rotation schedules which are theoretically possible, and alternative schedules ought to be employed with respect to certain kinds of employment opportunities or context by way of safeguarding this ability to continue to exploit the land resources.

Q Well, are you able to express any preferences between community development projects and a project of the type that is proposed here in terms of the project or type of project best suited to permit the development of the wage lifestyle parallel with the subsistence lifestyle?

A If other things are absolutely equal -- that is if you have the same variety of work, the same pay scales, the same advancement opportunities and so on, obviously employment in the community is better than employment elsewhere.

Q Well now, in the break, I showed you a report on the subsistence and the conservation of the Yupik lifestyle which was prepared by an organization called the Yupiktak Bista in Alaska in 1974. In that report, the authors list four criteria

Cross-Exam by Scott

for co-ordinating subsistence and economic development and I have asked you to read those. Do you agree that those are four sound criteria?

A I think that those are four excellent criteria. Yes. I think that's a well developed set of recommendations.

Q Mr. Commissioner, the paragraphs are quite long and instead of reading them unless anybody wants me to I will simply make a photocopy of this page and introduce it as an exhibit if space can be left for it.

In addition to the four criteria that are listed there, are there any others that occur to you?

A You're asking me to respond to that off the top of my head and I would be happy to but I would like to have those four in front of me at the time that I do. So, basically I would rather respond to that question another time when I have had adequate opportunity to think about it.

Q Just one tag end, both you and Dr. Asch in your paper make a note of the effects predominantly negative of what we're now calling transfer payments. I take it that the transfer payments -- I take it that you would agree that one of the most substantial transfer payments made in recent years has been grants to native organizations as opposed to individuals.

A Is that a question?

Q Yes.

C. Hobart
Cross-Exam by Scott

A The concept of transfer payments always has, in my experience, an individual connotation. That is, cheques are made out to individuals for themselves and for their families. Well, let's see -- no. They do talk about transfer payments between provinces, do they not?

Q Well, leaving aside how we define it, the thrust of both your paper and Dr. Asch's as I understood it was that you were inclined to be critical of the consequences that flowed, even though they were necessary, of payments from government to native people. I take it that you would agree with me that there are some kinds of payments that government can make that have positive or that appear to have positive and creative consequences.

A Definitely. Sure.

Q Therefore, when one analyzes the consequences of a transfer payment one has to look at the recipient, the objectives, the terms of the payment and so forth.

A Definitely.

Q It's too bald to assert that all transfer payments are trouble-making.

A Yes. No, I don't think I ever asserted -- made that kind of bald statement in my testimony. No.

MR. SCOTT: Those are all the questions I have. Thank you very much, doctor.

THE COMMISSIONER: I think these letters that Mr. Bell introduced should be marked as

C. Hobart
Cross-Exam by Scott
W.B. Trusty
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exhibits so that we can keep track of them.

Thank you very much Dr. Hobart.
I appreciate your being willing to discuss these
questions to the extent that you have. We will look
forward to hearing from you again in a day or two.

(WITNESS ASIDE)

THE COMMISSIONER: Well, we
are ready for your next witness.

MR. STEEVES: Call Wayne Trusty,
sir.

WAYNE B. TRUSTY, resumed;

MR. STEEVES: I believe that
tea is ready Mr. Commissioner.

THE COMMISSIONER: Right. O.K.
We'll break a few minutes then Mr. Trusty. Sorry.

(LETTER DATED MAY 24, 1976-- JUNE HELM MARKED
EXHIBIT #644)

(LETTER DATED JUNE 7, 1976 -- J. SAVISHINSKY TO
M. ASCH MARKED EXHIBIT #645)

(LETTER DATED JUNE 9, 1976 FROM D. M. SMITH TO
M. ASCH MARKED EXHIBIT #646)

(A REPORT ON SUBSISTENCE AND THE CONSERVATION OF
THE YUPIK LIFESTYLE, YUPIKTAK BISTA, DECEMBER,
1974 MARKED EXHIBIT #647)

(PROCEEDINGS ADJOURNED FOR A FEW MINUTES)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Ladies and gentlemen, let's --

MR. STEEVES: Might he be sworn, sir?

THE COMMISSIONER: He has appeared before.

DIRECT EXAMINATION BY MR. STEEVES:

Q Oh, you've given before this Inquiry at Whitehorse in the Yukon Territory?

A That's correct.

Q And at that time did you state your testimony of qualifications?

A I did.

Q I direct your attention to part two of the evidence of panel one, described as introduction. Would you begin at tab two with your evidence?

A Mr. Commissioner, in order to complete the background for the more-detailed testimony that is to follow, I would like to review in broad terms the various socio-economic studies that have been undertaken and submitted by the applicant.

Rather than focusing on the details at this stage, I am simply going to review the intent and nature of each study and explain how the studies relate to each other.

Prior to the 1972 merger, both the Northwest Project Study Group and Gas Arctic Systems had commissioned research and related activities in the socio-economic area. The Northwest Project Study Group

commissioned work in 1971 by the Boreal Institute for northern studies at the University of Alberta, while Gas Arctic Systems retained Gemini North Limited.

When the merger took place, the contracts were assigned to Canadian Arctic Gas Study Limited and the studies and related activities were continued.

The Boreal Institute was retained to develop a plan for the recruitment and training of northerners in the operational phase of the pipeline. However, a related responsibility was to provide an analysis of aspects of the social and economic impact of the pipeline on northern communities, together with recommendations aimed at minimizing any disruptive influences resulting from pipeline construction and operations.

The study also undertook to provide descriptive statistics of the indigenous population in the district of Mackenzie.

The complete report of the institute was filed by Arctic Gas as an appendix to section 14(f) which deals with the Northern Training Program and the report is divided into three main parts. Part one deals specifically with the recommended strategy for recruitment and training procedures and is therefore more directly relevant to the testimony presented by NORTRAN.

Part three deals with actual and projected conditions in the Mackenzie District, in terms of certain key demographic and economic

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characteristics. In compiling this statistical profile, the Institute selected variable, which, in their judgment, have a bearing on the possible impact on native people of involvement in pipeline construction and operation. The variables selected were the population distribution, gross manpower, educational attainment, residential mobility, occupational distributions and income distribution. These variables were all cross-classified by age, sex, ethnic group and community. Since the base data was drawn primarily from the 1969 manpower survey of the Department of Indian and Northern Affairs, much of the purely statistical information is now out of date.

However, many of the basic trends and relationships, as well as some of the comments of the Institute are still relevant.

In addition, of course, the statistical analysis served as a basis building block for the recommendations with respect to recruitment and training.

The portion of the Boreal report that is most relevant to our testimony in this stage is part two, entitled "Some Aspects of the Social and Economic Impact of the Proposed Pipeline."

Part two is divided into three sections. The first of which deals with the social and economic climate of the region, including such considerations as the effects of employment during earlier development projects in the region. Current wage perceptions of employment and the attitudes of northerners

towards the pipeline.

The second section contains recommendations for action which will minimize any negative social and economic impact. The third section is of particular interest in that it deals with the findings of a survey of the opinions of educated young northerners concerning the proposed pipeline.

These sections of the Boreal report had a direct bearing on the preparation of the Arctic Gas socio-economic impact statement as well as on the formulation of a number of the policy intentions or preferences that have been adopted. As a result, we will be dealing, at least indirectly, with the Boreal material as we get into the detailed evidence.

Gemini North was originally retained in 1970 to undertake work relative to a northern pipeline. The initial assignment was to provide information concerning communities, the system of government and any regulations that would pertain to a northern pipeline. In addition, the initial work included the organization and implementation of a programme of community visits.

After the merger, the scope of the Gemini work was expanded to include the preparation of a major socio-economic impact study, incorporating the earlier research and and community liaison activities. That effort ultimately resulted in the preparation of the seven volume report that was published by Arctic Gas in May, 1974.

Gemini also contributed to a

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study on alternative modes and systems of transportation and to a determination of the economic feasibility of supplying natural gas to various Mackenzie Valley settlements. The results of these separate assignments are reflected in section 14(e) of the Arctic Gas application and in the report entitled " Impact of Proposed Arctic Gas Pipeline on Energy Costs in Northern Communities", which has been filed with this Inquiry.

In addition, Gemini carried out a continuous review of Arctic Gas plans regarding route and facility locations, and construction, operations and maintenance procedures to determine potential socio-economic impacts and to provide advice to Arctic Gas personnel with respect to those plans.

The main objectives of the major study were to identify potential impacts, whether beneficial or adverse and to indicate methods by which the proposed pipeline and associated developments might contribute to the orderly development of the Canadian north, by maximizing net economic and social benefits to northerners.

As I mentioned earlier, the final report comprises seven volumes. Volume one includes the introduction, the scope and the methodology employed.

Volume two contains the base-line data and other information of the political, social, demographic and economic characteristics of the region. This material was compiled in terms of the

past evolution of the region, the current situation and anticipated development in the absence of a pipeline and constitutes the basic foundation required to meet the objectives.

With regard to the development of baseline data, a major problem faced by Gemini was the lack of a consistent data base for the Northwest Territories in general and particularly for the study region. Another constraint was the fact that most Statistics Canada figures or national averages with respect to such basic factors as income levels or housing densities, do not apply to the north. As a result, a substantial part of the research effort involved the generation and primary analysis of basic social and economic data. This made it necessary to undertake extensive field research in the communities of the study region. In particular, three main data collection and informational field programmes were organized and carried out in August, 1972, in February and March, 1973 and in October, 1973.

The statistical information that was gathered as a result of these field programmes was supplemented by published information and by extensive interviews with government and industry officials and with residents of the northern communities.

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In general, research related to the main socio-economic impact study was combined with and dependent on the program of community visits that were discussed earlier. In fact, as Gemini points out in the introduction to the report:

"A most important aspect to our research approach was to involve northerners in the data collection process and to discuss our interpretations of the data with residents of the region on a continuous basis."

The report goes on to note that this approach served two purposes:

1. It enabled many residents to become aware of the project and of the nature and findings of the study; and
2. It enabled Gemini to verify, clarify and avoid misinterpretations of observed data.

Volumes 3 through 5 of the report deal with the impacts anticipated by Gemini in relation to employment generated by the pipeline and associated developments, the industrial base of the Mackenzie Valley, and traditional economic activities. Volume 6 is a summary volume which includes recommended policies and procedures to ensure the maximization of net benefits, while Volume 7 includes a number of appendices. I should note that in addition to the baseline data discussed earlier, Volume 2 also includes Gemini's general observations and anticipated impacts with respect to sub-regional population, the development of individual communities, and a variety of social factors.

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As I mentioned, the Boreal Institute study was completed and the report finalized in October of 1972. While the Gemini study was not published until May of 1974, drafts were being reviewed in late 1973 and all drafts were in the hands of Arctic Gas by January of 1974. It was at that time that preparation of the Arctic Gas socio-economic exhibit was undertaken. The exhibit -- Section 14.c -- was subsequently filed in March, 1974.

Section 14.c is divided into five sections, the first of which is simply a brief description of the objectives, the organization of the report, and the study region. The second section contains an examination of social and economic background considerations, including some of the historical influences, the perceptions of Arctic Gas with respect to attitudes toward the pipeline, and the need for development. Section 3 deals with the current and anticipated socio-economic situation in the absence of the proposed pipeline and related developments. This provides a basis for the examination and assessment of the impact of the proposed pipeline which appears in Section 4. The last section of the report includes a discussion, in broad terms, of the applicant's policy intentions or preferences. Finally, there are some supplementary appendices which include methodological details and additional data.

There are several points with regard to the intent and basic approach of the Arctic Gas socio-economic impact statement that warrant some discussion at this time.

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The first point that should be noted is that, to a large extent, the report was prepared in response to the government guidelines, particularly the social guidelines. Infact, the guidelines constitute the basic requirement for a formal socio-economic filing by an applicant.

In addition to responding to the guidelines, the intent in Section 14.c was to put forward the applicant's perceptions and opinions with regard to the socio-economic circumstances of the region and the impacts of the pipeline. These perceptions and opinions were formulated on the basis of a review of all of the available source documents, including the Boreal and Gemini reports. However, only in a few specific cases is it possible to cite a specific source as the main basis for a particular conclusion. Rather, the conclusions reflect a synthesis of the material that was available.

Given the basic objectives to be satisfied by the socio-economic impact statement, a conscious decision was made to include only the essential elements that underlie particular conclusions or positions, without duplicating the very comprehensive coverage of topics in Gemini and the other source documents. In part, this decision reflected the fact that all of the source documents were being made available for public scrutiny, and there was therefore nothing to be gained by duplication or repetition of material.

In addition, the decision on the scope of the material presented in 14.c reflected

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1 a basic position with regard to the obligations and res-
2 sponsibilities incumbent on an applicant with respect
3 to formal application documents.

4 It is reasonable for people
5 to assume that any material included in formal appli-
6 cation documents is accepted by the applicant and that
7 the applicant has relied on it to reach certain con-
8 clusions. By way of contrast, consultant reports that
9 an applicant makes available to the public can be pre-
10 faced with a disclaimer that makes it clear to any user
11 of the document that the opinions and conclusions
12 expressed therein are those of the consultant and do not
13 necessarily reflect the views and opinions of the
14 applicant.

15 In the socio-economic area,
16 this question of the responsibility of the applicant
17 requires an added degree of caution. In part, this
18 reflects the very subjective nature of this type of
19 analysis. More important, however, is the caution
20 that must be exercised with respect to the quantitative
21 aspects of socio-economic analysis.

22 In the introduction to 14.c
23 the following statement is made:

24 "A note of caution is warranted with respect
25 to the interpretation of the statistical aspects
26 of the exhibit. The inadequacy of statistical
27 data and the state of the art with respect to
28 quantitative socio-economic analysis preclude the
29 development of definitive quantitative estimates
30 of a variety of the potential impacts. As a

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1 consequence, in the view of the applicant,
2 the quantitative estimates would be con-
3 sidered to be indicative of the nature and the
4 direction of impacts which are discussed
5 qualitatively rather than being a precise
6 definition."

7 Even with this disclaimer
8 the exhibit is very restricted in terms of the extent
9 of quantitative material that is presented.

10 This degree of caution in
11 the Arctic Gas exhibit may seem inconsistent with the
12 extent of quantitative analysis and the sometimes
13 complex and seemingly precise calculations contained
14 in the various consultant reports and government studies.
15 It may appear that either Arctic Gas is being unduly
16 cautious or that the analysis and estimates contained
17 in other reports are not reliable and therefore not very
18 useful. In fact, in my opinion, neither proposition is
19 correct.

20 There are several considerations
21 with regard to quantitative socio-economic analysis
22 that explain the apparent inconsistency and that are
23 important to interpretation and use of statistical
24 information. The first and perhaps most important con-
25 sideration is the adequacy of the data base. I have
26 already noted that a major problem faced by Gemini was
27 the lack of a consistent data base for the study region
28 -- a problem that is compounded by the fact that southern
29 averages and statistical rules of thumb do not apply
30 in the north. As a result, a considerable part of the

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Gemini activity was devoted to the generation of basic data. Since then a great deal of additional data has become available, particularly as a result of the ongoing studies and data collection efforts in government. However, it is probable that for the foreseeable future we cannot expect the adequacy of basic data to reach a level comparable to that in Southern Canada.

I should note that to a large extent the data inadequacies reflect basic structural factors that can be expected to change only slowly. IN other words, the problem is not simply one of the amount of research or data collection effort that is expended.

A second consideration in quantitative socio-economic analysis is the size of the statistical base. By the term "statistical base" I mean the total population or other parameter that is of interest. In general, the smaller the statistical base, the more important it is that there be accurate data and precision in calculations. In part, this reflects the fact that with a relatively large statistical base, random errors and other factors tend to be offsetting and there is convergence around averages that are meaningful. The reverse situation occurs when the statistical base is small.

In addition, the smaller the statistical base, the more important are absolute numbers as opposed to ratios. For example, there is a considerable difference between the construction of 50 new houses in a town of 500 people and a city of 500,000.

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1 This rather obvious fact
2 translates into an important principle: when the base
3 is small, any given change or decision has^a disproportion-
4 ate effect or influence and can therefore invalidate
5 statistical analyses or conclusions that preceded the
6 change or decision.

7 A related consideration is the
8 fact that when the statistical base is small, the value
9 of statistical rules of thumb or relationships is
10 greatly reduced. In connection with the Gemini report,
11 I mentioned the fact that southern rules of thumb do
12 not apply in the north. Here I am raising a question
13 about the use of any rules of thumb. The essential
14 point is that in a situation where the base is small,
15 one should not use general information in observations
16 to reach specific conclusions. Rather, each situation
17 or problem must ultimately be handled on an individual
18 case-by-case basis.

19 I would like to note one
20 additional implication of the points that have been
21 raised, particularly the principle that I referred to
22 as disproportionate influence or effect, and the
23 related need for a case-by-case approach to reach
24 specific conclusions.

25 While these considerations have
26 a bearing on the treatment of a particular situation
27 at a given point in time, they have a more critical
28 bearing on the treatment over time. In other words,
29 these considerations are critical in terms of the
30 problem of being able to make sufficiently accurate

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1 predictions -- a problem that is more severe when the
2 statistical base is small. In my opinion, this argues
3 strongly for flexibility in our approach to pipeline
4 impacts and related measures that might be instituted to
5 maximize the net effects. It seems to me that it is
6 most important that we establish appropriate mechanisms
7 and procedures and that there is a great danger in
8 establishing a rigid or very specific measures at an
9 early date and on other than a case-by-case basis. I
10 should emphasize that here I am talking about measures
11 oriented to the communities and the people of the region,
12 where the dynamics of the situation will be most
13 critical. It was primarily this factor that led Arctic
14 Gas to recommend in Section 14.C the formation of a
15 liaison group to deal with regional socio-economic
16 matters.

17 While the considerations that
18 I have outlined underlie the very cautious approach
19 taken in the Arctic Gas exhibit itself, it is not my
20 intention to denigrate the quantitative material con-
21 tained in consultant reports and government studies.
22 Certainly, there may be cases where too much confidence
23 is placed in statistical measures or where calculations
24 are made that are not warranted by the quality of the
25 basic data. Furthermore, the apparent precision and
26 seemingly scientific nature of a statistical analysis can
27 be misleading and can cause people to place too much
28 reliance on the conclusions that result.

29 In general however, such analyses
30 serve a very useful function provided that they are

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assessed and interpreted from the perspective of the specific objectives that the calculations are designed to meet.

An appreciation of the specific objectives is particularly vital to a determination of the value of an analysis in the case of quantitative impact assessments and predictions as opposed to purely descriptive analyses. For the most part, specific calculations are not undertaken in order to make a precise or definitive estimate of a given type of impact. Rather, they are intended to establish ranges, orders of magnitude, the relative significance of impacts, and sensitivity to planning or policy options or alternatives. Within this kind of framework, the precision or ultimate accuracy of an estimate is of lesser importance.

For example, if the objective of a calculation is to determine whether or not a particular community will be adversely affected by population and growth induced by a project, and if parameters have been established to determine what constitutes an unacceptable growth, it is not necessary to have a precise estimate. In that case, it is only necessary to have orders of magnitude established with sufficient precision to determine whether or not the acceptable level of population growth would be exceeded. Similarly, if the objective is to determine the effects of alternative policy or planning options, calculations may only need to be taken to a level of precision sufficient to determine the relative magnitudes

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1 of impacts.

2 Another important point that
3 must be noted is that, depending on the specific
4 objective, analysts frequently will intentionally make
5 an under or over estimates in order to provide a margin
6 of safety or to be conservative in the face of
7 uncertainty. As a consequence, essentially the same
8 calculation may be made from different perspectives
9 and yield very different results.

10 A good example of this type
11 of consideration is the selection of an employment
12 multiplier in Section 14.C as compared to the multiplier
13 in the Van Ginkel Study. The objective in Section
14 14.C was to provide an estimate of the potential
15 employment opportunities that would be generated by
16 the pipeline and related activities. In order not to
17 overstate this aspect of pipeline impact, a very low
18 employment multiplier was intentionally selected.

19 In the case of the Van Ginkel
20 analysis, one objective was to assess the potential
21 building requirements that would be induced in communities
22 Considering the fact that such requirements could be
23 perceived as a negative effect of the project and
24 that severe penalties can result from using an under-
25 estimate of building requirements for planning purposes,
26 the Van Ginkel analysis was predicated on a very high
27 multiplier in comparison to that used in Section 14.C.

28 While the selection of both
29 multipliers was based on a reasoned assessment of a
30 variety of factors, in neither case was it the intention

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1 to put forward the multiplier or the estimate of induced
2 employment as a best guess of the impact that will actual-
3 ly prevail.

4 The problem that arises with
5 quantitative analysis of the type that I have described
6 is that people attempt to attach more meaning to
7 estimates than it warranted and to interpret results
8 without recognition of the specific objectives. The
9 multiplier used in Section 14.C is clearly too low if
10 one is concerned with impacts other than induced employ-
11 ment. It would be equally incorrect to assume that the
12 multiplier would apply to a community such as Inuvik
13 when it was intended to be applied on a regional level.

14 I have devoted a significant
15 amount of attention to statistical matters because I
16 feel that a great deal of misunderstanding arises in
17 that area. Furthermore, it is probable that quantitative
18 estimates or predictions of impacts will be central to
19 much of the testimony and cross-examination in this
20 phase. I felt that it would be helpful therefore to
21 outline the more important considerations that, in my
22 opinion, would underlie statistical analyses and the
23 interpretation of results.

24 Turning again to the review of
25 studies that have been undertaken, there is one other
26 aspect of the approach in the Arctic Gas socio-economic
27 impact statement that I would like to cover.

28 The organization of the exhibit
29 makes explicit the "without pipeline" versus "with
30 pipeline" approach that is fundamental to all impact

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1 evaluations. Since the "without pipeline" projections
2 provide a base case against which pipeline impacts are
3 assessed, they constitute the basic foundation for the
4 analysis. As is generally the case with such studies,
5 the foundation is itself predicated on certain judgments
6 and assumptions. While others may differ with the
7 specifics such judgments and assumptions ultimately
8 must be made in order to establish a basic perspective
9 and to impose a degree of stability for the analysis.
10 In particular, they are made necessary by the potential
11 for specific decisions or unforeseen influences to
12 alter the base -- a consideration that I discussed
13 earlier.

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In Section 14.c, the
"without pipeline" projections were predicated on the
following points:

"Given the availability of markets and the
apparent potential of the region, the applicant
is of the view that the best means of providing
the needed employment is through development
based on the region's indigenous resources."

The second one:

"The applicant is unaware of any indigenous
natural resource with the exception of natural
gas that is susceptible of early development
and that will have a timely and adequate impact
in terms of the provision of needed jobs and
economic opportunities."

Finally,

"The assumption has been made that there will
not be any significant economic development
as a result of public sector investments
during the period to 1985, other than those
announced or being implemented."

The last of these points is
clearly an assumption and nothing more. While the first
two points are based on an examination of potentials and
are subsequently supported in the discussion of various
sectors, they must ultimately be viewed as judgments
that underlie the projections. Stating them clearly
allows others to properly assess and weigh the resulting
estimates and conclusions.

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1 The three points that I cited
4 have a common characteristic -- they are all positive
6 in the sense that they provide a more definitive base
8 for projection purposes. This is an essential factor in
10 the establishment of basic assumptions and judgments.
12 Otherwise, the level of uncertainty associated with
14 projections increases dramatically. For example, if
16 the assumption that I cited with respect to public
18 sector investments was eliminated, or if the converse
20 assumption was used, it would be necessary to have
22 information on the timing, nature and scope of the
24 investment. Without such details, there is no basis
26 of assessing how the "without pipeline" situation might
28 evolve. In general, these comments apply to any non-trend
30 or new development influence. Without sufficient details
32 the potential influence must be eliminated by assumption
or an overall judgment made as to its effect.

18 Following the filing of Section
20 14.C Arctic Gas embarked on a second major phase of
22 socio-economic analysis which has continued up to the
24 present time and is expected to continue into the
26 future. The work leading up to the filing of Section 14.
28 c basically provided an overview assessment of potential
30 impacts and policy intentions. Subsequent work has been
32 devoted to analysis of specific impacts at the individual
level, the ramifications of various policy options, and
the details of individual policies. While some of this
work has resulted in reports or documents that have
been published, much of the work has been carried out
as an internal planning activity involving a direct

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1 interface of socio-economic consultants with other
2 disciplines within Arctic Gas. The evidence of that
3 internal planning effort will be presented in subsequent
4 testimony.

5 As a first step in the new
6 phase of activity, the Arctic Gas studies and government
7 reports were reviewed to identify specific areas requir-
8 ing more detailed examination. The key priority that
9 emerged was the need to focus in more detail on the
10 potential long-run physical impacts in communities and
11 corresponding demands on the regional infrastructure,
12 the local construction industry, and the resources of
13 the communities and senior governments generally as a
14 result of pipeline-related developments. It was our
15 view that more information was needed in this area, not
16 only from an impact prediction perspective, but more
17 importantly, as a base for ongoing community and senior
18 government planning efforts and for the further assess-
19 ment of alternative policies and detailed planning by
20 Arctic Gas.

21 Having made this determination,
22 Arctic Gas retained the services of Van Ginkel Associates
23 Ltd., a Montreal-based consulting firm with considerable
24 experience in such fields as city planning, regional
25 development, transportation, economic development, and
26 the planning of social and educational facilities.

27 Concurrent with the development
28 of specific terms of reference for the Van Ginkel study,
29 we also entered into detailed discussions with the three
30 producing companies, Gulf, Imperial and Shell, with regard

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1 to the socio-economic effects of the combined pipeline
2 and gas field developments. In the Gemini study and in
3 the preparation of Section 14.c we had used estimates
4 of producer employment prepared by a petroleum engineer-
5 ing consultant to Arctic Gas, and filed as an appendix
6 in Section 14.f. While these estimates were adequate
7 for the purposes at that time, we felt that more
8 detailed and definitive information should be developed
9 as an input to the Van Ginkel work. Furthermore,
10 both Arctic Gas and the producers recognized that in the
11 socio-economic area it is the combined development that
12 matters, and that an attempt to make a separation along
13 corporate lines was somewhat artificial. While this
14 principle is implicit in the Gemini study as well as the
15 Arctic Gas exhibit, it had not previously been carried
16 to the extent of undertaking joint studies.

17 As a result of these discussions,
18 it was agreed that the Van Ginkel work would be
19 sponsored jointly by Arctic Gas and the producers. In
20 addition, it was decided to broaden the scope of the
21 study to encompass more than the straight physical
22 effects of the combined project. This was largely
23 a reflection of the fact that the producers were facing
24 the requirement of filing materials with the Department
25 of Indian Affairs & Northern Development and therefore
26 wanted the Van Ginkel study to take a form that would
27 make it useful as a source document for the preparation
28 of their impact statement. The decision to broaden the
29 scope had the added advantage that it allowed Van
30 Ginkel Associates to more thoroughly review social and

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1 economic factors that are inter-related with the physical
2 development of communities.

3 The first step in the Van
4 Ginkel study was the development of a profile of the
5 Mackenzie communities that are most likely to be
6 affected by the proposed developments. This took the form
7 of the atlas entitled:

8 "Communities of the Mackenzie"
9 in which each community has been mapped to show the
10 physical character of the community including the buildings,
11 the relation to land and water and vegetation. Included
12 with each map is a set of descriptive statistics and
13 other information which covers the general history of the
14 community and its people, demography, economic structure,
15 facilities and services, transportation and the physical
16 plant. In addition, the atlas includes similar overview
17 statistics and related information for the region as a
18 whole.

19 In compiling this material, data
20 and information from published documents and unpublished
21 government sources was collected and reviewed for
22 accuracy and consistency. In those cases where no basis
23 existed for eliminating inconsistencies or differences
24 between sources, data from more than one source is
25 quoted in order to provide a clear indication of the
26 differences and ranges that prevail. To ensure as
27 accurate mapping as possible, each of the communities was
28 visited and a survey was made of all existing buildings,
29 roads and services.

30 The impact portion of the Van

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1 Ginkel work resulted in the preparation of the report
2 entitled:

3 "Communities of the Mackenzie: Effects of the
4 Hydrocarbon Industry."

5 While the scope of that work was broadened to encompass
6 such factors as the assessment of economic prospects
7 and opportunities, the central focus remained one of
8 assessing the physical implications of development in
9 specific communities. Moreover, it was decided to make
10 this assessment in terms of long-run implications.
11 Accordingly, calculations were made for the year 1985,
12 by which time it was assumed that pipeline and gas
13 plant construction, as well as major highway projects,
14 would be complete. This decision was based primarily on
15 the fact that the construction programs will be completed
16 in a relatively short period of time without making
17 direct demands on the communities. However, the analysis
18 does take into account employment, business opportuni-
19 ties, and associated income effects of pipeline and
20 other construction in relation to community demands for
21 housing and improved facilities and services.

22 Apart from normal population
23 and labor force increases, the most important quantitativ
24 input to the study is the estimate of permanent employ-
25 ment opportunities in the hydrocarbon industry and
26 resulting induced employment opportunities. This reflects
27 the fact that estimates of the type of employment and
28 the number of people likely to be employed provide a
29 basic indicator of the potential impact of a new
30 activity in a region. The extent of the impact depends

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1 on both the location of the job and on where employees
2 and their families live and spend their incomes. The
3 question of residence is a particularly important con-
4 sideration in the study region because the number of
5 new employment opportunities is likely to exceed the
6 capacity of the normal labor force with a resulting
7 potential for in-migration to some or all of the
8 communities. Alternatively, employers have the option
9 of setting up a rotational system and encouraging
10 southern workers to commute from residences in the south.

11 To evaluate the potential
12 effects on communities, the Van Ginkel analysis used a
13 set of options that were designed to reflect the
14 full spectrum of potential employment/residence patterns
15 that could be created directly by the pipeline and
16 hydrocarbon industry, and indirectly as a result of
17 induced employment opportunities. While actual circum-
18 stances could lead to a combination of patterns, the
19 options in the study were intentionally structured to
20 reflect distinct and independent alternatives in order
21 that the implications could be properly identified.

22 For each option, estimates were
23 made of the implied population in growth in each
24 community in 1985. The options were then assessed in
25 terms of such factors as the physical constraints to
26 growth in individual communities and the capacity of
27 the building industry, assuming that good standards
28 of housing and community facilities and services are
29 to be achieved. As a consequence of this assessment, the
30 majority of options were eliminated and two were identified

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1 as both feasible and beneficial to the region.

2 The study also includes a
3 community by community inventory of the services and
4 facilities that could be achieved in 1985 under the
5 conditions set by the maximum growth alternative of the
6 two feasible options. It was not intended that these
7 estimates be interpreted as a prediction that the
8 maximum growth option will in fact prevail. Rather,
9 the relevance of the 1985 service level estimates is
10 to indicate, as a point of reference, the maximum
11 levels of service that can be achieved under conditions
12 of full employment and with all employees of the hydro-
13 carbon industry resident in the region.

14 Following the completion of
15 their study and the publication of the report in
16 January, 1975, Van Ginkel Associates have continued
17 their involvement with both Arctic Gas and the producers.
18 For the most part, this involvement has not been direc-
19 ted to the preparation of formal reports. Rather, they
20 have worked closely with me, with the Arctic Gas
21 engineering staff, and with members of the producer
22 Socio-Economic Committee and have assisted in the
23 evaluation in the detailing of plans, procedures and
24 policies for both construction and operations.

25 (A REVIEW OF SOCIO-ECONOMIC STUDIES UNDERTAKEN
26 BY CANADIAN ARCTIC GAS STUDY LIMITED, W.B. TRUSTY,
27 MARKED EXHIBIT 648)

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The broad focus of the Van Cinkel inputs has been on the ensuring that neither Arctic Gas nor the producers will be a burden on the community and that opportunities for the pursuit of alternative lifestyles and development patterns will be preserved.

An example of the type of work that has been undertaken is the further evaluation of total potential building requirements in the larger communities and identification of alternative methods by which Arctic Gas and the producers can satisfy their requirements for operating facilities and housing.

While this has ramifications for housing, transportation and other employment policies, it has particular relevance as an input to community planning efforts and as a base for the detailed discussions that will take place with the communities and government during the preconstruction phase.

In addition, there has been continued evaluation and refinement of logistics and construction plans, particularly with regard to the potential for an interface with communities. This has included consideration of such factors as the location of facilities, in or close to communities, the movement of personnel to and from job sites and the requirement for certain personnel to be resident in communities during construction and the consequent provision of facilities.

While we will be addressing all of these matters in some detail during subsequent

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1 testimony, at this point I would like to stress the
2 fact that these kinds of evaluations have been under-
3 taken on a day to day basis and have involved the
4 cooperative efforts of a variety of people of different
5 disciplines. Very often the process involved discussion
6 through which policies and procedures evolved, rather
7 than written recommendations or formal documents. As
8 a result, it is not always possible to be precise about
9 the role played by one group or department as opposed
10 to another or about the criteria and waiting that
11 led to a particular conclusion or decision.

12 While the main thrust of the
13 Van Ginkel work in 1975 and '76 has been directed to
14 the ongoing evaluation process that I have described,
15 the did undertake one specific study that has resulted
16 in the recent publication of a two volume report
17 entitled "Building in the North."

18 During the course of the earlier
19 work, it had become apparent that no comprehensive
20 source was available describing problems and opportunities
21 associated with building and community development
22 in northern regions. This is unfortunate since the
23 quality of life in northern communities depends so much
24 on the quality of housing, community facilities and
25 services.

26 While the pipeline and related
27 development offers an opportunity for improvement
28 of housing and community facilities generally, improvement
29 ultimately can only occur through an understanding
30 of the physical and technical constraints and through

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1 careful planning. The two volume report represents
2 an effort to provide a basis for such improved under-
3 standings and for future planning.

4 Volume one of the study is
5 an introduction to the conditions to which buildings
6 and communities in the north must respond.

7 Volume two is a compilation
8 of building and planning experiences in cold regions
9 in various parts of the world, which constitute an
10 attempt to respond to these conditions.

11 The report does not provide
12 an exhaustive or definitive coverage, nor is it intended
13 as a design manual. Rather, it is an introduction for
14 architects to the engineering and technical considera-
15 tions in northern building and an introduction for
16 engineers to the relevant architectural and social
17 considerations. Further, it is intended for use by
18 companies and government agencies that will be building
19 in the Mackenzie region and other northern areas in
20 the next decade, and for the use of northerners who wish
21 to gain an understanding of how the immediate man-made
22 environment may be improved.

23 Mr. Commissioner, I have
24 completed the review of studies that have been under-
25 taken and submitted and before concluding however, I
26 would like to comment briefly on two other aspects of
27 the work carried on by Arctic Gas that are directly
28 relevant to this stage of the hearing.

29 First, I would like to note
30 that beyond the study there has been substantial effort

1 devoted to the whole area of employment policies and
2 methods by which northern residents can be assured
3 opportunities. This has included discussions with
4 unions and investigation of training, orientation and
5 counselling procedures.

6 For the most part, this
7 activity has been directed by Mr. Hollands, who will
8 appear as a witness and provide details regarding
9 what has been done and the current views, preferences
10 and intentions of Arctic Gas.

11 Second, I would like to comment
12 on the involvement of Dr. Hobart with Arctic Gas.
13 While Dr. Hobart has not undertaken studies that have
14 resulted in formal report, he has made substantial
15 inputs and will be testifying further.

16 As you are aware, Dr. Hobart
17 previously studied the employment programme operated
18 by Gulf and Coppermine. In addition, he had been
19 retained to do an evaluation of the NORTRAN training
20 programme and was therefore familiar with the project
21 and with some of the activities that were underway.

22 Shortly after the first
23 Van Ginkel report was published in early 1975, we
24 requested Dr. Hobart to review all of the relevant
25 Arctic Gas studies and exhibits from the perspective
26 of a sociologist. Subsequently, he has provided us
27 with answers to questions that we posed regarding
28 potential social effects of the project and related
29 policy positions, he has made suggestions regarding
30 orientation and other employment policies and practices

1 and has generally provided us with greater insight
2 into the potential social effects of the project.

3 To facilitate these inputs
4 and also as a part of the presentation for his appearance
5 here, Dr. Hobart has undertaken further research with
6 regard to a number of social concerns. In addition,
7 he considered the question of the potential social
8 effects of not proceeding with the project. While some
9 of his views and research results have already been
10 presented in Inuvik and in his overview testimony here,
11 Dr. Hobart will be presenting further direct testimony
12 at a later stage.

13 To conclude, I should
14 note that we have not structured the evidence that is
15 to come around any particular study or document.
16 While some aspects of the testimony will be drawn
17 directly from specific sources, much of the evidence
18 will reflect the work of the last two years that has
19 not been included in formal report. In general, it is
20 our intention to emphasize our current views and
21 intentions in the socio-economic area, and to focus
22 particularly on those aspects that involve the develop-
23 ment of more detailed information as compared to the
24 exhibit and filed documents.

25 THE COMMISSIONER: Thank you
26 Mr. Trusty, for pulling all that material together
27 so that we could understand the perspective of Arctic
28 Gas on the -- well --

29 MR. SCOTT: Mr. Lutes, do you
30 have any questions?

W.B. Trusty
Cross-Exam by Sigler

1 MR. LUTES: We have no questions.

2 MR. SCOTT: Mr. Sigler?

3 CROSS-EXAMINATION BY MR. SIGLER:

4 Q Mr. Trusty, on page --
5 the bottom of page three in the last paragraph that
6 continues onto the top of page four, you state that
7 the initial assignment given to Gemini North in 1970
8 was to provide information concerning communities,
9 the system of government and any regulations that
10 would pertain to a northern pipeline. I'd like to
11 ask you what relevance would the system of government
12 have to Arctic Gas? What was your concern in that
13 respect?

14 A Well, first of all I
15 should note that that was Gas Arctic Systems rather
16 than Canadian Arctic Gas Study, who made that initial
17 assignment. That was a starting point to determine,
18 as the paragraph says, exactly what is now in place
19 in a community, for example, in terms of system of
20 government, what is the situation that have to be
21 dealt with in terms of zoning and bylaws and what
22 are the processes that are followed by a developer.

23 It was essentially to get a
24 starting point on what was then in place in the
25 region and in communities with respect to development
26 of any kind.

27 Q I take it then that the
28 study groups -- that the local communities would have
29 some -- would be needed to have some input into the
30 planning?

W.B. Trusty
Cross-Exam by Sigler

A Absolutely.

Q Is that still the position of the applicant today?

A Yes, it is.

Q Now, continuing on page four, it says that Gemini also contributed to the study on alternate modes and systems of transportation and to the determination of the economic feasibility of supplying natural gas to various Mackenzie Valley settlements. What was Gemini's input in that study?

A Gemini's input was related specifically to the valuation of alternative fuels and the calculation of comparative value in the community, delivered in the community. It was the dollar value of fuel calculations portion.

Q Was one of the basic presumptions that Gemini was to work with that Arctic Gas would not bear the cost of constructing and operating and maintaining feeder lines into the communities?

A Not to my knowledge, no. I should note that I'm probably not the best witness to address the details of that study. It wasn't done under my supervision, but my understanding is that their job was to survey and determine what the current value of alternate fuels was in the community and then given parameters about a wellhead price and a delivery cost to the community to make the comparative calculations in terms of gas versus those alternative fuels.

There was no assumption one

W.B. Trusty
Cross-Exam by Sigler

way or the other to my knowledge, about who would or would not construct feeder lines.

Q Do you know then who made the basis presumptions that ended up in the finished study as to Arctic Gas not bearing the cost of constructing the feeder lines into the communities? Would that have been the company itself?

A Well, I'm afraid we'd have to get more specific because I'm not aware that such -- that that was done on an assumption basis, so we'd have to -- I'm afraid we'd have to go to the study and I'm probably not the best witness to address the question -- to answer the question.

Q Who would be the best witness to address on that?

A Mr. Horte.

MR. SCOTT: I think Mr. Commissioner, Mr. Sigler, of course, wasn't here, but Mr. Horte was asked that question and gave, I think, an answer, when he appeared in phase one to give evidence.

THE COMMISSIONER: I think that Arctic Gas' position throughout has been that they are not prepared to establish a system of feeder lines to Mackenzie Valley communities, but that if required to do so, in due course, as a condition of right of way, across the north, they will. Isn't that the position?

A Well, if I -- maybe I could just clarify a little bit. The implication of the question that was posed was that an assumption was

W.B.Trusty
Cross-Exam by Sigler

made at the beginning about whether Arctic Gas would or would not build the feeder line. My understanding is that it was rather the reverse. The study was done to evaluate alternative costs with assumed cost of delivery, then on the basis of those findings, it was determined that in certain communities, gas could be delivered economically and would be economic in comparison to alternative fuel and that in other situations that would not be the case and that the gas would be a disadvantage relative to alternative fuel.

Arctic Gas then took the position that in those -- in the communities where it was economic they'd be perfectly prepared to build the appropriate feeder line, in the positions where it was not economic, it would involve an implicit subsidy by southern gas users or some other agency and that Arctic Gas is not in a position to make that determination unilaterally.

W. R. Trusty
Cross-Exam by Sigler

Q Well, it turns out he was a good man to ask the question of. Well, Mr. Trusty, just one post-script to that. You said or Mr. Horte said, that you could only take it to the town gate.

A That is correct.

Q That it would be up to the Territorial Government or to the municipalities themselves to organize the distribution of the gas from your feeder-line at the town gate.

A That's correct. Mr. Horte said it and it is true.

Q Yes.

MR. SIGLER: I am turning to page nine and the third complete paragraph that is on that page that,

"In part, this reflects the very subjective nature of this type of analysis".

where you, I believe are discussing the socio-economic analysis. Because of the very subjective nature of the type of analysis that has been done, I wonder whether the actual people that did the analysis will be called by Arctic Gas?

A I'll leave that to counsel.

MR. STEEVES: Are you talking about Van Ginkel?

MR. SIGLER: Or Gemini North.

MR. STEEVES: It is not the intention of Arctic Gas to call either of the two persons mentioned by Mr. Sigler. That is not to say they are not available. We're not going to call them,

W. B. Trusty
Cross-Exam by Sigler

1 that's all.

2 MR. SIGLER: But you do
3 recognize that there is a very subjective nature to
4 those studies?

5 A In all studies of this
6 nature I think that's true.

7 Q I take it from your
8 overall evidence that except where adopted by the
9 applicant in 14.C, the subjective views that are
10 contained in those studies are those of the consultants
11 alone and not those of the applicant?

12 A With one modification
13 that as I noted earlier we will be presenting subsequent
14 testimony in the panels to come, and anything that is
15 put into evidence by those panels in general is the
16 same as if it had been written in 14.C.

17 Q Now, turning to page
18 14, I am interested in the example you used in your
19 second paragraph where talking about the parameters
20 of the population growths for any particular community.
21 In using that as an example, I wonder if Arctic Gas
22 actually did any such studies to determine the acceptable
23 level of population growth within the different
24 communities affected?

25 A There will be evidence led
26 on this question in panel five but to answer
27 briefly -- well, I can't answer briefly. It's a yes and
28 no answer. We did some and we relied on other documents
29 for other information. But we will be going into that
30 in detail on panel five.

W. B. Trusty
Cross-Exam by Sigler

Q Who did those studies?

A The Van Ginkel Associates were involved and as I say, we had relied on other documents and I was involved myself.

Q Those have been done on a community by community basis?

A We did not do detailed growth analyses for every community. We focused on certain communities more than others but it's hard to -- you know -- without having the entire evidence of panel five put into evidence, it's difficult to respond very specifically to your questions.

Q On page 15, in the paragraph -- the first one there that starts:

"A good example of the type of consideration is being the employment multiplier that went into Section 14.C"

You state in your last sentence in that paragraph that:

"Be careful not to overstate the effects of the pipeline by using too high an employment multiplier in 14.C"

Do you see any problems in perhaps using too low a multiplier and in understating the impact on the communities?

A Absolutely, and that's why in the Van Ginkel study, we went the other direction and used quite a high multiplier.

Q What would be the proper multiplier to use?

A I'm sorry?

W. B. Trusty
Cross-Exam by Sigler

Q What would be an accurate multiplier to use?

A I don't have any idea what the accurate multiplier is for this region. I suspect that you would really have to look at a multiplier on a community by community basis.

Q Has Arctic Gas done any studies on those lines?

A Gemini North, in their analysis -- I believe it's one of the appendices -- has an analysis that was an attempt to use basic information and develop a best guess of a multiplier but we didn't use it. We arbitrarily selected a lower multiplier than that analysis found. I would point out that particularly on a regional level as opposed to a national level, the points I made earlier about the sizes of statistical base are very, very relevant.

To know what degree of confidence to place on any given estimate no matter how detailed the investigation is very difficult. So I wouldn't want to make a best guess. Nor would I necessarily want to suggest the very best method of doing it because it's very, very difficult on a regional level.

Q My question was, has this been done?

A As I say, Gemini made a stab at it and it appears in the appendix in their filed document.

Q but Arctic Gas doesn't

W. B. Trusty
Cross-Exam by Sigler

accept those?

A We did not use it and
that
I am not saying they did not make a good analysis.

Q But you don't accept it.

A We did not use it because
the objective in 14.C was a very specific objective
and therefore we arbitrarily picked a very low multiplier.
The objective in the Van Ginkel analysis was a very
specific objective that dictated the selection of a
very high multiplier. The Gemini North multiplier that
was calculated and is reported on in the appendix
simply wasn't relevant to the specific objectives that
we were satisfying in our other documents.

I don't know if that answers
your question.

Q Well, let me just see
if I have got it right. You're saying that to be
accurate, a different multiplier would have to be used
for each community almost?

A That could be the case.
That's right. I suspect it is the case in this region.
Certainly I think you would classify the large and
small communities separately.

Q You acknowledge that the
Van Ginkel one you think is high?

A High for the small
communities. Probably not too far off. That's purely
a judgment or a guess for the large communities.

THE COMMISSIONER: But not too
far off for Inuvik, Fort Simpson, Hay River?

W. B. Trusty
Cross-Exam by Sigler

1 A That's correct. Yes.

MR. SIGLER: And you don't
want to comment on the Gemini North multiplier?

2 A Not beyond what I have
said.

3 I should note, I should add
4 that in the -- I am referring to the multiplier that's
5 reported on in an appendix in the Gemini North study.
6 In the main body of the text where they were drawing
7 certain impact conclusions about employment and so on,
8 they also used the arbitrarily picked multiplier.

9 Q You commented on that
10 already. Now, on page 18, at the bottom of the page
11 you state that:

12 "Subsequent work has been devoted to analysis of
13 specific impacts at the individual community level..."
14 I wonder if you could tell us which communities the
15 work has been done at?

16 A In the filed Van Ginkel
17 study, it's the 26 or so communities that in our judgment
18 would be most directly -- potentially most directly
19 affected by the pipeline. In other words, it did not
20 include Yellowknife but it included all those communities
21 were
22 that in the study region as defined in that study and
23 in Section 14.C. which as you may recall is a broad
24 corridor on either side of the right-of-way.

25 So, at that stage, it included
26 all of what we considered to be the relevant communities.
27 Subsequent work has focused more narrowly and that's
28 part of the material that will be presented by panel five.

W. B. Trusty
Cross-Exam by Sigler

Q You included, say, Tuk.

A Yes.

Q Inuvik?

A Yes.

Q Hay River?

A Old Crow, Fort Good Hope, Wrigley, Fort McPherson -- you know, just right down the river. They are all in there, any community that fell within that very broad band that is defined in the map that's in the very front of Section 14.C.

Q Right. Now on page 19 then you point out a need for ongoing community and senior government planning efforts and for further assessment of alternative policies and detailed planning by Arctic Gas. That's at the end of your middle paragraph on that page. I wonder what kind of --

A Well, excuse me but I didn't say that there was a need for community and senior government planning efforts. I said that those would be going on and there was a need for more Arctic Gas and producer planning efforts.

Q I see, a need for more Arctic Gas and producer planning efforts as a base for their ongoing community planning efforts.

A Yes and as an input to community planning and government planning generally.

Q Well, what impact has Arctic Gas made so far into say community planning in communities like, say, Fort Simpson?

A There have been discussions

W. B. Trusty
Cross-Exam by Sigler

held with various communities and with community
representatives by Mr. Workman who is a resident in
the region and who is ^a representative of Arctic Gas
here. In subsequent testimony in panel four, I will
discuss recent developments along that line in the
way of liaison. It is our intention to engage in a
very detailed consultative process on the community
planning ramifications of the project, but to date,
in our view, that would have been premature given the
status of the project.

Q Would you acknowledge then
that Arctic Gas had not done very much in terms of
meeting with the community councils say who are
responsible for planning the growth of their communities?

A No sir. I think "very
much" is a relative term. It has to be taken in the
context of where the project stands and the process
that the project is going through on a regulatory level.

Q Well, as you have
stated and what you have done now is only as much as
you feel is necessary for where the project stands now?

A No sir. I haven't stated
that. If we were to have done as much as was necessary,
then very likely we would have stopped at the end of
Section 14.C. We haven't. We have continued with the
study program that I defined and I'll be introducing
in the evidence some of the details of that and
indicating the direction in which we plan to proceed
and are proceeding right now. That is not formally
required by any of the guidelines or whatever.

W. B. Trusty
Cross-Exam by Sigler

Q So you will be outlining what steps you see having to take in terms of community planning?

A Yes. Yes. I will go into that in some detail.

Q Page 25, let's take an example of the type of work that has been undertaken as a further evaluation of the total potential building requirements in the larger communities and an identification of alternative methods by which Arctic Gas and producers can satisfy their requirements for operating facilities and housing. Which would be the larger communities that you are referring to there?

W.B. Trusty
Cross-Exam by Sigler

1 A Inuvik, Norman Wells,
2 Fort Simpson are the primary ones from Arctic Gas'
3 perspective, since that's where we'll have district
4 headquarters. IN addition, we've been looking at Hay
5 River, because of its probable ongoing role as a
6 staging operation.

7 Q Have you had any detailed
8 discussions with those communities?

9 A In the work that went
10 into the first Van Ginkel report there -- Van Ginkel,
11 as I noted, visited all of the communities for the
12 purposes of surveying what was there, but at that
13 time or roughly in that time frame they had discussions
14 with representatives in each of those communities, and
15 with some of the planning consultants who worked for
16 those communities, and there has been that sort of
17 discussion process, although I wouldn't want to over-
18 state it, but there have not been formal meetings
19 devoted to that question. There were discussions held
20 in the course of visits, but at that stage the focus
21 was very much on undertaking a basic analysis so that
22 in the consultation process we'd know what we were
23 talking about, roughly.

24 We had to come to grips first
25 with what's there, what's possible, what is our view
26 of what might happen and not happen before you can
27 really engage in a detailed discussion with communities
28 and those detailed discussions had not been yet
29 held, and it is the full intention of Arctic Gas to
30 hold them at a subsequent point.

W.B. Trusty
Cross-Exam by Sigler

Q With the Town Councils.

A That's right , with whoever is relevant from the perspective of the community.

Q Well, one example you gave was Hay River, and I'd put it to you that for example when Arctic Gas put together their Axe Point proposal that they did not involve the Council at Hay River.

A Well, I guess the connotation of the word "involve" is relevant there. There have been discussions with Hay River and Fort Simpson, you know, the connotation of the word "involved" may be different in that case.

THE COMMISSIONER: Well, the point --

A Pardon me, sir.

Q Excuse me, the point that is made is we all have mortal failings. Mr. Sigler is suggesting that when you came up with this AxePoint proposal about six months ago, if that's when it was, it came as a surprise and indeed a shock to the Hay River people.

A Yes.

MR. SIGLER: Q Do you plan to consult a lot more with the communities?

A Well, excuse me, I just would note the one point, and I think it's a very relevant point. Consultations were held with the community as soon as Arctic Gas had a view that it wanted to do the Axe Point thing. Before that consul-

W.B. Trusty
Cross-Exam by Sigler

tation would have been meaningless. I mean there was no formulated view of what we might or might not want to do in that regard, so I simply point out that consultations were held as soon as Arctic Gas had a proposal that was sufficiently detailed to warrant discussions.

THE COMMISSIONER: Well, I don't think it's not for me to judge whether you should have consulted them more or less, but it wasn't until you had reached a corporate decision in the matter that you brought the local people into the discussion. Isn't that about the size of it?

A Well, my understanding was that a decision hadn't really been made when the consultation process -- what had happened at that stage was a package had been put together indicating a direction that Arctic Gas wanted to go. I don't think though, sir, that a decision had been reached at that point when the consultation started, but that again is a relevant thing. Who knows what goes on in the minds of men? That kind of thing.

M R. SIGLER: That's what we're trying to find out here.

A But there was no formal policy position adopted by Arctic Gas before the consultation that they wanted to build Axe Point. That's the only point I'm trying to get across.

MR. STEEVES: I'm sure we won't ever do it again.

MR. SCOTT: The question is

W.B. Trusty
Cross-Exam by Sigler

whether you ever do it at all.

MR. SIGLER: Q Well, you say your plan is to have more detailed discussions with the larger communities. What's your schedule of these planned discussions?

A I don't think we can be very definitive at this stage about a schedule. Again we'll be addressing that in Panel 5, but I would simply indicate that we are moving in the direction of starting more detailed discussions this summer, but I can't be more definitive than that, and I can't say that for sure it's going to happen this summer or instead of early fall.

Q I take it you don't have a definite plan yet for actual --

A Not in a scheduled sense, no.

THE COMMISSIONER: Good intentions, not minimizing them, but I think that's where we're at.

MR. STEEVES: We go further than that, that there is a definitive plan.

THE COMMISSIONER: Sorry, I'll wait for Panel 5 then.

MR. SIGLER: That will come out in Panel 5, the definite plan that is there to consult with the communities?

A Yes. I mean, so that I don't mislead, there won't be a timetable or a schedule that we'll hold a meeting on a certain day,

W.B. Trusty
Cross-Exam by Sigler

1 but it will be a plan of approach to this consultative
2 process in the general sense of that word.

3 Q Well, we'll know which
4 communities you plan to consult?

5 A Absolutely.

6 Q And we might know which
7 year you plan to consult with them.

8 A I might add that we plan
9 in the course of the pre-construction phase to consult
10 with all communities. The topic of consultation will
11 vary by communities, and in Panel 5 and Panel 4 in com-
12 bination, we'll be providing information on the
13 approach to consultation in the large as opposed to
14 small communities.

15 Q I take it the consultation
16 will take place before construction, and not after.

17 A Absolutely.

18 Q On page 26 you state
19 first of all -- I'm referring to your last paragraph
20 on that page, the second sentence, you say:

21 "This is unfortunate, since the quality of
22 life in northern communities depends so much
23 on the quality of housing, community facilities,
24 and service. "

25 What community facilities are you talking about there?

26 A All community facilities.
27 The community as a physical plant, if you like. The
28 physical -- that includes the water, power, sewage
29 system, the quality of schools, the recreational
30 facilities that are available to the residents, the

W.B. Trusty
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way their streets are laid out, and the opportunities that exist or don't exist for social interaction and so on. I'm referring to the entire physical plan of the community.

Q The entire package of services available in communities?

A Right, and buildings and structures.

Q In your next sentence you go on to say:

"While the pipeline and related development offers an opportunity for improvement of housing and of community facilities generally," I wonder if you could expand on that and tell us how it offers an opportunity for improvement?

A Well, again to try to expand on these, these were intended to be descriptive statements of what is contained in various studies and we intend to go into detail on those studies. What's been looked at, what the conclusions were, and at that point I think these kinds of questions will fall into place automatically. To attempt to answer a question like that now in advance of putting that evidence in would lead us into putting the evidence in now, and --

Q So the purpose of saying that here was just to say that's your intention, to establish that.

A No, this is an introductory paragraph to a description of a two-volume report that

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1 has been filed, that deals with the business of
2 building in the north. This is simply an introductory
3 statement that says how you do things in the north
4 in a building sense in a community physical plan
5 sense is very important, and we filed a two-volume
6 report or published a two-volume report that represents
7 an attempt to pull together a compendium of relevant
8 information. It's not a conclusiary document. It's
9 not a document that really has any bearing on our
10 case. It's simply that we observed that there was an
11 absence of information in this area, and so proceeded
12 to try to fill that vacuum to some degree.

13 Q But your introduction to
14 that report gives a conclusion, does it not? The
15 words I referred you to, you say:

16 "While the pipeline and related development
17 offers an opportunity," ...

18 A That's quite true, in
19 that sense it does.

20 Q That's your evidence
21 today.

22 A That evidence will come.

23 Q You're going to give
24 that evidence yourself later on?

25 A Yes, I'll be
26 giving that evidence.

27 Q Well, could you comment
28 generally today on what leads you to give that evidence
29 here today?

30 A The problem I face is

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to comment generally, is in my mind not very productive.

There are a lot of factors --

Q You already have
commented generally, though.

A Well, to comment beyond
what's commented on in this paragraph, there are a
lot of factors that bear on the question and we'll be
bringing these factors into evidence, and I would
prefer not to attempt to bring them in a helter-skelter
fashion just as I happen to remember them.

THE COMMISSIONER: Maybe we
could leave that to Panel 5, Mr. Sigler.

MR. SIGLER: Those are all the
questions I have, Mr. Commissioner.

MR. SCOTT: Mr. Bayly?

MR. BAYLY: Again, Mr.
Commissioner, I understand Mr. Trusty will return and
we will be prepared to cross-examine him then.

MR. SCOTT: Mr. Bell?

MR. BELL: No questions.

MR. SCOTT: Mrs. MacQuarrie?

CROSS-EXAMINATION BY MRS. MacQUARRIE:

Q Mr. Trusty, this is just
a matter of clarification that I need, but on page 2
you say at the bottom of the page:

"Since the base data was primarily drawn from
the 1969 Manpower Survey, much of the statistical
information is now out of date."

Is it fair to assume then that since much of Dr. Hobart's

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1 evidence was based on this survey as well, is it fair
2 to conclude that he may also -- his conclusions may
3 also be out of date as well?

4 A No, I think one has
5 to take the two sentences or the three sentences that
6 appear in the testimony in conjunction; what I'm
7 saying is that the purely statistical information is
8 by and large now out of date by virtue of the fact
9 it's older. I also went on to say that the basic trends
10 in relationships, as well as some of the comments of
11 the Institute are still relevant, and I think that in
12 the case of the Institute and in the case of Dr.
13 Hobart's evidence you can draw some conclusions about
14 trends and relationships that are still relevant today
15 on the basis of that material. But if the material says
16 that the population of a particular community was 100,
17 and today it's 150, that material is clearly out of
18 date, the material that says it's 100, but it's still
19 possible to draw the conclusion that it's a relatively
20 small community.

21 Q All right, thank you.

22 A Do you see the distinction
23 I'm making? I want to be as responsive as I can.

24 Q On page 6, Gemini North
25 apparently involved a --

26 A I'm sorry?

27 Q On page 6 --

28 A Yes.

29 Q -- Gemini North obviously
30 involved northerners in collecting the material for this

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survey, were northerners actually involved in interpreting the material, or just responding to the southern interpretation of the data?

A Gemini field staff, as I understand it -- and this took place prior to my involvement in the project -- but my understanding is that the Gemini field staff who actually did the data collection involved northern residents, native people as well as white northern residents.

Q And the second part of my question was, were the northern people, was it their northern interpretation of material collected, or was it a southern interpretation of the material collected?

A Well, I don't think I can --

THE COMMISSIONER: I take it that Gemini North's report, the four volumes, represent the views of Gemini North and that Mrs. MacQuarrie, having said that, it seems to me you can draw your own conclusions. The authors of the report are listed in it.

A Yes.

Q And whether they're characterized as southerners or northerners is --

A They were resident in the north at the time, but they were not native people. That's a distinction.

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1 MRS. MacQUARRIE: Yes, I
2 admit that was a moot point.

3 A Yes.

4 Q Page 21, I wondered if
5 your survey included the details of the kinds of
6 medical and social services available in that particular
7 community and to the extent, perhaps, of the programmes
8 that were in existence there, from a health aspect.

9 A Yes, it did. Well, when
10 you say programmes I have to be cautious there, so let
11 me deal first with facilities and numbers of doctors
12 and nurses. In the appendix to the Van Ginkel report
13 on the effects of the hydrocarbon industry, for every
14 community surveyed, and that's the 26 or so that I
15 mention, there is a table which shows the existing
16 services, as of 1974, I guess, and those are the tables
17 I referred to as tables that show in comparison what
18 could exist in 1985 under certain conditions. The basic
19 material on what exists was collected partly through
20 the survey effort and partly through the use of
21 government information that was available on what
22 exists in the communities.

23 Some of that material, in a
24 more condensed form appears in the atlas that I referred
25 to, but it's much more detailed in the tables that
26 appear at the back of the report.

27 Q And this was 1974?

28 A Well, it's as of the
29 period right after the surveys had been made and using
the most recent data that was available.

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1 MRS. MacQUARRIE: Thank you.

MR. SCOTT: Thank you, is that
all Mrs. MacQuarrie?

MRS. MacQUARRIE: Thank you,
right.

CROSS-EXAMINATION BY MR. SCOTT:

Q Mr. Trusty, you said,
answering Mr. Sigler that from the consultative process
with the communities begins, the subject of consultation
will vary from community to community.

A Yes sir.

Q Yes. Who's going to
decide the subject of consultation?

A Oh, I think it will be
primarily a matter of the community, the community's
decision and the reason that I say it now is that
because in certain communities, we will have permanent
facilities located right within the community and I
think those will obviously be a matter for very
extensive consultation. In other communities we won't,
and I think the direction will be different, but we
fully intend to be responsive to what the communities
want to talk about throughout both the preconstruction
and the construction phase.

Q Good. Well now, on page
26 you refer to this two volume report, "Building in
the North", could you provide me with a copy of that?

A My understanding is that
a copy of that has been distributed to everyone who's
received any of the Arctic Gas Socio-Economic filings

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1 and we'll certainly arrange for you to get one.

Q I'm very up to date in
2 my reading and I haven't run across it so perhaps you
3 could just check to see that it's gone out. I'd like
4 to have it before next week, if I haven't got it already.

A Yes, we can do that.
5 It was distributed some months ago now, so I'm surprised
6 that you haven't received one.

7 MR. STEEVES: I will find out
8 the position on that, whether or not Mr. Scott has one.

9 MR. SCOTT: Those are all
10 the questions I have, thank you Mr. Trusty.

(WITNESS ASIDE)

11 THE COMMISSIONER: Well,
12 thank you Mr. Trusty, and that completes the evidence
13 of panel one, subject to Mr. Bayly's right to cross-
14 examin Dr. Hobart and Mr. Trusty, when they reappear in
15 later panels at a time when he is ready to put one
16 or two questions to them.

So, where are we now?

17 MR. STEEVES: Oh sir, thank you. I
18 understand that Professor Watkins is leaving tomorrow
19 morning, permanently, and by a joint arrangement
20 between my friend Mr. Bell and myself, we're having
21 a short social occasion in room 303, and may I on behalf
22 of Mr. Bell and ^{on}my own behalf invite everyone in the
23 room to come there when we adjourn.

24 THE COMMISSIONER: Well, in
25 the light of that, perhaps we should adjourn now.
26 We stand adjourned until 10:00 a.m.

(PROCEEDINGS ADJOURNED TO JULY 7 , 1976)

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